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Plowing a Straight Furrow

Remarks by Secretary Acheson¹

I SHOULD LIKE TO DISCUSS WITH YOU SOMETHING which has to do with the natural history of public life. I read in the papers, and I'm sure you do too, that there is a species of *Homo sapiens* which has now become extinct; very recently, only in the last few weeks, has it become extinct. That is the isolationist.

We are told there aren't any more. And we are told it is very rude to refer to anybody as an isolationist, and it hurts the feelings of people to use that phrase since all isolationists are now extinct. They are just as dead as the dodo or the saber-toothed tiger.

What Is a Re-examinist?

But there is a new species which has come on the horizon. This new species I call the re-examinist, because the re-examinist says, "I want to re-examine all our policies and all our programs."

I was very much puzzled when I heard about this new species of re-examinist coming on. I thought to myself of how we are all affected by advertising slogans. There is an advertising slogan which says "some words fool you." I don't want this word to fool us. We need to look at this re-examinist and see what kind of a person he really is.

If to re-examine what we are doing means to do what we do every single year of our lives, which is to go before the Congress and explain every single item of every policy and every program and to justify every dollar for which we ask the

Congress, then this can't be a new species. There is nothing new about it, because we all belong to that school; we all re-examine our progress. We all find out what our failures have been. We all look at what new actions we should take. We all justify what we have been doing.

But is that what this really means? Is that what this re-examinist wants? Because it might be something different. And if it's something different we ought to know that.

Now, it's possible that a re-examinist might be a farmer that goes out every morning and pulls up all his crops to see how they have done during the night. It might be that that is what it means. Or it might be that this kind of a re-examinist is someone who comes down to breakfast in the morning and looks at his wife or at her husband and says, "Do I really love that man or woman? How did I ever turn up here with her or him?" Or he can put on his hat and go down to the office and look around and say, "Am I really in this business? Are these my partners? How did I get mixed up with these people. I wonder if I shouldn't have been an atomic scientist after all." Is that what it means?

When we re-examine, does it mean that we are like the sound navigator who, on a long flight or a long voyage, checks his course by the sun and stars every day? Or does it mean that the navigator says, "How did I ever get started on this? Do I really want to take this trip after all?"

What does it mean? It is very important for us to find out. If it means any of these things that I have suggested, then it is something very serious in terms of our whole life. It is serious because it means that the person who has the views

¹ Extemporaneous remarks made before the National Council of Negro Women at Washington on Nov. 17 and released to the press on the same date. Also printed as Department of State publication 4026.

of the farmer who tears up the crops every morning, the man who doesn't know whether he really loves his wife, or the wife who doesn't know whether she really wants to live with her husband, or the navigator who doesn't know whether he has started on the right course—if that is what it means—then that person, or a nation which takes that view, puts him or itself in the center of its map of the world. He or it is the center, and the map goes out from there. If that is so, then that person is sitting in isolation. That person or that nation is isolationist, because everything has to originate from him or from it. That person is incapable of constancy of purpose. That person is incapable of the very foundations of leadership, and a nation which accepts that view cannot associate itself in the larger groupings of people where mutual confidence is required.

Now, if that is true, it is very important. We have it on the highest of all possible authority that no man, having put his hand to the plow and looking back, is fit for the Kingdom of God. No nation and no group of people who wish to lead a nation in this day and age in which we live are worthy of leadership, if at every moment they wish to tear up and examine the very roots of the policies upon which the whole future of the free world depends.

What are those policies and why is this so important? What is the whole question of foreign policy of the United States about?

The Purpose and Direction of American Foreign Policy

In its relations with others nations this country, from its very beginning as a republic, has had one overwhelming direction in which it has gone and from which it has never varied. Its purpose and its direction, in its relations with other countries, have been to create and to maintain the environment in which the great American experiment in liberty could flourish and exist.

That is all we have asked of the world. We have no special interests that we want to achieve. We don't want to dominate anyone. We don't want territory. We don't want any of the things for which empires in the past have fought. We want only a world in which we can be free and in which everyone else can be free. And, just as the foundations of freedom in the United States are based on morality and moral purpose and moral responsibility, so relationships in the world are based on moral conviction and moral responsibility. We

ask nothing for ourselves that we do not insist should be accorded to everyone. We are ready to help every nation in the world, just as we hope they would be ready to help us.

That has been the foundation of American foreign policy. There have been a lot of smart people and a lot of students who say, "Well, what are you trying to do? What is your purpose?" That is the purpose of American foreign policy. It always has been and it always will be.

There have been in our lifetime two occasions in which we have discovered that this effort to negotiate, to deal in friendliness, to deal with mutual helpfulness, has not been possible. Twice we have come to occasions when powers have decided to use force and war in order to create situations in the world where our sort of life could not exist. And reluctantly and sadly and with all the knowledge of the horror and terror which has been created, the United States has gone to war, knowing that war settles nothing, but war prevents some things. After each war, American Presidents have hoped and believed that they could create a system in which this would not be necessary any more. Once this system was defeated by the unwillingness of our own country to go into this great experiment.

Three Principles of the United Nations and Our Foreign Policy

After the last war the United Nations was created. That great organization is founded on the three great principles which have animated American life and American policy from the very beginning. These are, first of all, that aggression shall not occur and that you shall not use force to settle international disputes. That has been one of the most fundamental concepts of American foreign policy.

Inherent in the Charter is the second idea. That is that the human rights, the human freedoms—those great barriers which protect the individual from the incursion of the state—those shall be protected and built up because the very foundation of our moral concepts is that the individual is the test of all value. The worth of the individual is the ultimate worth upon this earth.

Third, we have had the concept in our life, and we have it in the United Nations, that we shall use our whole collective efforts to raise and to improve the standard of living of each person in this world so far as we can. We have this conception and this conviction, because we know that freedom from

war, rights to exercise as individuals, all become worthless if the individual is stricken with disease and poverty and misery, so that he cannot have that fullness of human life which is the end of all our democratic efforts on this globe.

That was the great purpose of the United Nations. Think what it would have meant if that had been possible. It was so easily possible, because this whole concept of the United Nations was based on the idea that the great powers that had fought the war were going to continue in amity after the war and that they would subject themselves to the rule of morality and the rule of law and the smaller nations would come in with equal rights to speak and to have their views heard and to vote. But that great dream, or a large part of it, has been frustrated by the action of the Soviet Union.

Military Shield Necessary To Protect Economic Welfare

The United States has gone forward in the economic field, gone forward in the human rights field, gone forward in the effort to prevent war. The Soviet Union has been frustrating these efforts from the very beginning. And so we have come to another series of ideas—we must carry on these efforts within the free world and also, within the free world, we must build up a military shield. We cannot any longer count upon the good faith of nations to settle their disputes amicably.

When we see what happened in Korea, when we see what has happened in other parts of the world which are exposed to Soviet threats, we know that we cannot count upon restraint and on obedience to law and good will. And so through the North Atlantic Treaty and through the Military Assistance Pact and through the whole conception now of a unified force in the Atlantic community, we are building up a shield for the protection of free men. This is the center of the whole force of freedom. Behind this shield, free men can continue to build up their economic power and their economic welfare. And that has resulted in programs which are going forward in the Western World.

At the same time this has happened, we have seen the great surge of nationalism in the Far East.

We have seen the great desire of the peoples of the Far East to free themselves from the misery under which they have lived and to build lives which will be worthy of human beings. We have done our best to help that.

Here is something of great complexity. Here is a thing which requires constancy of purpose. Here is a thing which requires year after year after year of effort. It requires building our own force, being faithful to our allies and to our friends, and never allowing discouragements to deflect us from our course, never allowing irritations between free nations to build up into friction which will divert us from our ends. It requires the greatest patience, the greatest courage, the greatest determination, to carry this forward.

Sacrifice and Struggle Ahead

In the light of what I said earlier, in the light of all these things, does it make sense to say, "I want to re-examine our programs? I want to look at this all over again to see whether we should have started on it?" Is that the role that a leader in these troublesome times, these dangerous times, wishes to take in the world today? I think your answer is that it is not.

We are in for a period of great struggle. We are in for a period of sacrifice. We are in for a time which will take all the courage we have. Anyone who offers you easy answers, anyone who says that your life can go on undisturbed in this time is not telling you the truth. It is not worthy of your courage because you will respond to leadership. But there is hope. This is not a long dismal road with no hope at the end. It is the only road with hope. A road which requires determination and courage is not one from which you will shrink.

Again, in the Book of First Corinthians it is written "that he that ploweth should plow in hope; and that he that thresheth in hope should be partaker of his hope."

We must look forward both with hope, with courage, and with determination to the future. We are not looking back. We are not pulling up our roots. We have put our hand to the plow and, having done it, there is only one way to look—that way is forward.

Report to the President on Foreign Economic Policies¹

STATEMENT BY THE PRESIDENT

The foreign economic policy of the United States is of key importance in influencing the course of world events. It is one of the central instruments with which we can meet the present world crisis and through which we can promote the security of the United States as part of a free world. Since the ending of World War II, we have come increasingly to realize that our foreign economic policy must be world-wide in concept, that its many parts must follow a single broad stream of direction and purpose, and that it must be continuously adapted to changing circumstances both at home and abroad.

For these reasons, last March I asked Mr. Gordon Gray, upon his resignation as Secretary of the Army, to study the whole complex of our foreign economic relations and to develop appropriate recommendations designed to "assure ourselves that our own policies are those which will serve best to reinforce our economic strength and that of the other free nations of the world." Mr. Gray's work was in full swing when outright Communist aggression in Korea demonstrated to the free world the urgency of a more rapid increase in its military power. The expanding rearmament programs of the United States and other free nations, while not basically altering our long-term objectives, created major changes in the immediate outlook for the world economy. Mr. Gray and his staff, therefore, have recast their work to take account of the changed outlook.

The report now submitted by Mr. Gray represents a comprehensive analysis of the whole range of foreign economic problems facing the United States. Behind the report lie many months of intensive labor by Mr. Gray himself, his immediate staff assistants, and a large number of con-

sultants in all walks of private life and in the many governmental agencies concerned with these problems. The Nation is indebted to Mr. Gray and his associates for their fine response to a most challenging and difficult assignment. The report deserves the attention and study of all citizens.

The guiding concept of Mr. Gray's report is the unity of foreign policy in its economic, political, military, and informational aspects. Our national security can be assured only through effective action on all these fronts. I fully endorse Mr. Gray's statement on the basic objectives of our foreign economic policy. In his words:

The objective of our foreign economic policy has been and is to encourage among the nations of the free world those economic conditions and relationships essential for the development of stable democratic societies willing and able to defend themselves and raise the living standards of their peoples. These objectives are to the benefit of all peoples; their national interests are bound up with our national interests; our security and well-being are clearly connected with their security and well-being. Neither we nor they can live alone or defend ourselves alone. This fundamental unity of interest underlies our efforts both to achieve long-term progress and also to meet the immediate necessities presented by Soviet aggressive designs.

Mr. Gray's report should be of great value to the Congress and the executive branch in developing specific measures to further these objectives. Certain of Mr. Gray's recommendations call for a follow-through on present lines of action, notably in the development of an integrated program for the defense of the North Atlantic Treaty area, and in the promotion of sound commercial and financial relationships among free nations.

In other respects, Mr. Gray has recommended changes in existing policy to meet emerging problems of our foreign economic relationships. This is particularly the case with respect to underdeveloped areas and economic development programs.

I recently announced my intention to appoint Mr. Nelson Rockefeller as Chairman of the Advisory Board created under the new act for international development to advise and consult "with respect to general or basic policy matters arising in connection with operation of the program."

¹ Prepared by Gordon Gray, Special Assistant to the President, and Edward S. Mason, Deputy, with the assistance of the following staff members: Felix Belair, Jr., Theodore W. Braun, Kermit Gordon, G. Griffith Johnson, John H. Kaufmann, Raymond F. Mikesell, Walter S. Salant, Ralph N. Stohl, and Phillip H. Trezise. Copies of the report may be obtained from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., at 40¢ a copy.

I am asking Mr. Rockefeller to have this Board, as its first task, consider Mr. Gray's proposals concerning our policy toward the underdeveloped areas in the context of the full report, in order that this Board will be able to give us its views early in the coming year on the types and size of programs which it considers desirable for the United States to undertake in this field.

Meanwhile, the various executive agencies concerned will draw fully on Mr. Gray's report, and on the background studies underlying it, in developing appropriate administrative action and legislative recommendations in the whole area of foreign economic policy which is so crucial to our national security.

HARRY S. TRUMAN.

LETTER OF TRANSMITTAL

November 10, 1950.

MY DEAR MR. PRESIDENT: On March 31, 1950, you asked me to undertake an assignment as your special assistant to make recommendations to you in charting our course in the field of foreign economic policies and programs.

You pointed out that "our basic purpose has been, and must continue to be, to help build a structure of international economic relationships which will permit each country, through the free flow of goods and capital, to achieve sound financial growth without the necessity for special financial aid."

You further stated that "it is now time for us also to look ahead and assure ourselves that our own policies are those which will serve best to reinforce our economic strength and that of the other free nations of the world." You requested me to assist you in your task of determining "the nature, dimensions and significance of this problem" and in developing "the broad lines of policy which in turn must be laid before the public and the Congress." You instructed me to advise and assist in coordinating and stimulating the activities of the various governmental agencies which can contribute to the solution of the problem and to obtain the views of experts and interested groups outside the Government on particular aspects of the problem.

In accordance with your instructions and with the help of a small staff, I proceeded to develop a detailed program of analysis among the appropriate agencies of the Government directed toward adequately defining the problems which faced us and arriving at definite recommendations. I also proceeded to initiate a program for obtaining the views of leading private citizens on a systematic and wide-spread basis.

These activities were well under way when conditions were drastically changed by the aggression in Korea and the subsequent decisions to build up

rapidly the defensive capabilities of the free world. This series of events did not in fact change the basic nature of the problem we were tackling. The paramount problem is not to achieve any specific objective with respect to our total balance-of-payments position but is rather how to make our foreign economic policies serve most effectively our total national and foreign policy requirements.

These events did, however, markedly change the dimensions of the problem. At the same time, they increased the need for effective programing in the foreign economic field. In view of the uncertainties which entered into the picture and the time available to me, it has been impossible to arrive at final judgments with respect to many program matters, particularly those of a quantitative nature.

The report which I am herewith submitting to you outlines in broad terms what are, in my judgment, the major problems now facing this country in the foreign economic field and the general framework of policies and programs designed to meet these problems. In this task I have been greatly assisted by the generous and effective efforts of many Government agencies which have made available the ability and time of numerous staff members to work on specific projects. One evidence of their contribution is the collection of working papers, over 50 in number, on which many parts of this report are based. Many top officials have given freely of their time to me and my staff in discussing various subjects in the report, and I have also discussed the report of certain sections of it with numerous leading private citizens in various walks of life. The analysis and the recommendations in the report represent my considered judgment, and they should not be taken as necessarily representing the views of other officials in the Executive Branch.

While I hope that this report will be of assistance to you in making essential decisions with respect to foreign economic policies, much further work remains to be done within the appropriate departments and agencies to convert this policy statement into an operating program.

It is furthermore necessary to assess the impact of foreign economic programs on our domestic economy in relation to the other requirements of our national policies, including civilian requirements and our productive capacity. In considering the problems falling within my terms of reference I have constantly borne in mind the overriding need for preserving a strong and dynamic economy in our own country and for maintaining the soundness of the dollar with all which that implies. Unless this is done, the objectives outlined in the report cannot be fully attained.

I am sincerely grateful to you for your constant support and encouragement in this undertaking.

Respectfully yours,

GORDON GRAY.

November 27, 1950

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SUMMARY AND RECOMMENDATIONS

Objectives of Our Foreign Economic Policy

The overriding objective of our foreign policy is to establish a just and lasting peace among nations. In achieving this objective, our policies in the economic, political, military, and informational fields all play an essential role. They must be coordinated and directed toward the central objective, and must be adjusted to changing circumstances. They must all be part of a total policy which permits the strengthening of our own economy.

This country has recognized that our foreign policy objectives cannot be obtained by negative measures. It was essential after the war to restore political and economic stability in the areas disrupted by war. It is now essential to build adequate military strength for the free world. It also remains essential to recognize and offer constructive leadership in meeting the increased need throughout the world for economic progress as a foundation for lasting peace. The contribution of our foreign economic policy has been and is to supply positive measures toward these ends—to help build the economic conditions and relationships needed for the growth of democratic societies able to defend themselves and to improve their living standards.

This report examines the most important aspects of our foreign economic policy, and analyzes the prospective problems in this field. It suggests the steps that should be taken in the future to ensure that, under the new circumstances, our foreign economic programs continue to support our foreign policy objectives effectively. Some economic questions, which are clearly subordinate to other considerations, are not dealt with here.

In the economic field, as well as in the political field, this country had embarked on the basic outlines of a constructive foreign policy before the hostilities of World War II had ceased. We gave assistance to prevent hardship and stimulate recovery, and we joined in developing unprecedented measures for international economic cooperation. But the obstructions and aggressive designs of the Soviet Union have increasingly threatened the continued success of these efforts. The outbreak of open aggression in Korea illuminated the immediate military danger and demonstrated the need for greater defensive strength in the free world.

The programs needed to build adequate defensive strength among the free nations must be undertaken, and this involves a reexamination of our objectives and capabilities both within our own country and in our foreign programs. But we must not forget that the conflict with the Soviet Union has also become intensified in the economic and political fields. The Soviet Union is desperately trying to capitalize on the swelling social and economic pressures now dominant

throughout the world. The free nations can and must hold the initiative in this area through a positive program, aimed at peace and justice, and capable of attracting the understanding and support of peoples everywhere. Without such a program, military strength may become ineffective in the years to come.

In this task, our foreign economic policies and measures play an important role. They will continue to require financial support by the United States Government. Recent developments have made it impossible to prepare firm estimates of program requirements, but these requirements in the future, including loans and grants, should be substantially less than we have been spending for these purposes during the past year. In terms of our own interest and of growing collective strength, the gains will far outweigh the costs, as they have in recent years. Increasingly we will find, as we already are finding, that other countries are more and more able and willing to contribute to the accomplishment of mutual objectives, and our policies should be based upon this expectation.

Economic programs in themselves, however, are not enough, and economic aid as such has an even more restricted role. Continuing dollar subsidies are not a sound basis for our international relations, and our own requirements for economic growth and military strength limit our ability to furnish aid to others. Thus our undertakings in the field of foreign aid must be based upon a careful assessment of the competing demands on our limited resources, and of the relative importance and usefulness of the demands to our objectives. Such programs must be supplementary to leadership on a broader plane, encompassing effective economic, political, and informational policies, as well as military protection.

While we prepare to meet the military threat of Soviet communism, we must make clear to all peoples that the basic objectives of our foreign policy remain unchanged. Within the United States we must recognize that sound economic statesmanship and measures are fundamental to the achievement of our objectives. Our military programs are entirely defensive. Through them we merely seek to counter the military advantage now possessed by the forces of Soviet imperialism. But in the economic and social field the free nations must maintain the offensive. They must demonstrate that effective use of resources and the establishment of peace and justice can be achieved without the loss of political, economic, and religious freedoms which disappear under Soviet dictators. In that demonstration the achievements and contributions of our own free economic and political institutions can play a major part.

Developments in the Postwar Period

Since World War II, United States policies in

the foreign economic field, notably the European Recovery Program, have represented a largely successful exercise of leadership. The United States has provided the critical margin of resources enabling Western Europe and Japan to recover from the destruction and disorganization of wartime and to progress far towards a self-sustaining economic position. Largely as a result of this, political conditions have been stabilized and Communist penetration halted. Directly or indirectly, aid has also been an important factor in alleviating or improving economic conditions in many other parts of the world. World trading relationships have been developing along the lines necessary to enable other countries to make continuing progress on a self-supporting basis.

The growing economic recovery and political stability have been heavily dependent on supplies from the United States, financed in considerable part by direct grants and loans. This dependence was reflected in a sizable United States export surplus with every area of the world, totaling 29 billion dollars over the 4 years 1946-49, or almost half of our total exports. The pressing demands for United States goods were largely abnormal, arising from the wartime damage, disorganization, and backlog of demand. Not only did this disorganization involve extreme hardships, but its potential consequences threatened our own security interests.

In the case of Western Europe, an emergency situation called for emergency action. The economic stagnation which followed the war, and social unrest and disillusion which invited Communist subversion and penetration, threatened to undermine the democratic institutions of Western Europe. The European Recovery Program was devised to forestall this possible disaster, by helping to remove the economic conditions which invited it. It was a deliberate use of our economic resources to carry out a basic objective of our foreign policy in a time of great crisis. This it has succeeded in doing.

In many respects the situation in Japan was similar to that of Western Europe. Here was another highly developed industrial nation economically shattered by defeat, and also exposed to Communist penetration. The fact that Japan was occupied by the forces of the United States placed its problems in a different category from those of most of Western Europe, but the effect of our economic aid there was substantially the same.

Furthermore, United States financial aid has indirectly done a great deal to restore and maintain the economies of countries which did not receive aid. During this period every other major area of the world, as well as Europe and Japan, bought more from the United States than it sold to the United States. While our export surplus with non-European areas was paid for in part by the liquidation of accumulated dollar assets, a large part of it was made possible indirectly by the ERP and other aid programs. Some of the dollars

which Western Europe received from United States aid went to pay debts or to pay for the goods which Western Europe received from these other countries. These countries were then able to use these dollars to buy goods from the United States.

As recovery progressed, and as Europe and Japan increased their production and exports, the need for grants of dollars from the United States declined sharply. Our export surplus with the world as a whole diminished, falling from an annual rate of 7.6 billion dollars in the first half of 1949 to an annual rate of 2.9 billion dollars in the first half of 1950, and virtually disappeared in the summer of 1950. In fact, most countries in the free world have been able during the past year to reduce greatly or to eliminate their deficits with the United States, and at the same time to improve their own living standards. The industrial countries have also been able to devote a substantial part of their income to investment, in most cases to increase their monetary reserves rapidly, and to return to a more normal pattern of trade with the rest of the world.

By the middle of 1950, it appeared that the productive ability of most Western European countries and of Japan either was already sufficient or would soon become sufficient to make unnecessary a net addition to their own productive resources from outside aid, and that further grants from the United States would become unnecessary by 1952 or even earlier. These countries were becoming able to produce enough goods and services for export to pay for their necessary imports. The major payments problem they were beginning to face was one of finding adequate export markets—particularly markets in which they could earn the dollars required to pay for imports obtainable only from dollar sources. There also remained serious internal problems in some countries: considerable unemployment, the need to compete more vigorously in export markets, and in some cases a dangerous weakness in morale and political cohesion. But these problems could have been solved in most cases without the necessity for further United States grants to these countries.

In contrast to the industrial countries, most of the underdeveloped areas of the world have, in general, shown relatively slow progress in the post-war period. They still face a severe and chronic deficiency in production. In some areas today, foreign payments are more or less in balance, but even where this is the case, chronic poverty, primitive production methods, the ineffective use of resources, and increasing population pressures are so serious as to endanger their internal stability. In political terms, many of these areas are currently subject to intense pressure from internal subversion or the threat of external aggression.

A major obstacle to development in underdeveloped areas has been their long-standing poverty itself, which has made it impossible to produce

a sufficient margin over subsistence needs to build for the future. To overcome this obstacle these areas need a flow of capital from abroad substantially greater than they have been receiving. In addition to new investment, the great need of underdeveloped areas is for modern techniques and technical guidance in such basic fields as agriculture, health, resource development, and public service, as well as in industry.

There have also been major obstacles to development unrelated to financing. Administrative machinery and technical skills are grossly inadequate. The inertia of custom and tradition frequently results in a lack of enterprise. Many of the governments are new and inexperienced, and in some cases there exists an unwillingness to take the steps necessary for development within the countries themselves. While these factors limit the rate at which new capital can be absorbed and new techniques learned, they can be gradually overcome.

In recent years we have formulated some promising economic measures with respect to these areas. We are cooperating with other countries in new international programs to aid development. We have provided some capital, and have established a means of providing these areas with increased technical assistance. But these activities have not been pressed with the vigor that the situation requires, and they have not yet been fused into a sufficiently effective program.

Continuing economic progress for the United States, for the other industrialized countries, and for the underdeveloped countries requires the reduction of barriers that have obstructed world trade. While conditions in the postwar period have not permitted as rapid progress in this direction as we would have liked, substantial advances have recently been made. Our foreign aid programs have helped create the conditions necessary for this improvement. Our long-range trade policies have helped to provide the framework of cooperative action needed for its continuation and growth, although certain aspects of our import and domestic policies have been and are inconsistent with this objective. Through the International Monetary Fund, the General Agreement on Tariffs and Trade, and the proposed International Trade Organization, we have played a leading role in laying the basis for future progress. The recent substantial increases in the monetary reserves of important countries have made possible more rapid progress in removing trade discriminations and attaining currency convertibility.

The Impact of Accelerated Rearmament

We have now entered a new phase of foreign economic relations. The necessity for rapidly building defensive strength now confronts this Nation and other free nations as well. This re-

quires a shift in the use of our economic resources. It imposes new burdens on the gradually reviving economies of other nations. Our foreign economic policies must be adjusted to these new burdens.

While it is still too early to measure the exact magnitude of the effects of rearmament, certain basic trends are clear. Our own rearmament program will require us to import strategic raw materials in greater quantities than before. Other nations will also have increased demand for such commodities. The diversion of American productive effort to military defense will reduce the supply of goods for civilian consumption in this country. It will also reduce the quantity of civilian goods which we can ship abroad. This means that our demand for civilian imports from other countries will increase.

In short, we will be paying more abroad for raw materials, and we may be buying more imported manufactured goods. As a result more dollars will be available through trade channels to the rest of the world. The rapid elimination of our export surplus in recent months is a reflection of some of these trends.

A balance between our exports and imports, even including long-term investment, is not, however, the major immediate objective of our foreign economic policy. During the postwar period our aid programs largely made possible the big export surplus. We undertook these programs in order to serve our national interests. In the future, it is desirable and should be possible to carry out our objectives and at the same time to approach a balance in our exports, imports, and long-term investment; but it is the effective carrying out of our objectives, and not the balance itself, that is paramount. Thus the developments in the present period must be analyzed in terms of their effects on our ability to carry out our objectives.

In the case of Western European countries, rising raw material prices and growing scarcities arising from their own rearmament could put heavy pressure on their economies. These countries must continue for a time to increase their exports in relation to their imports in order to achieve self-support. Inflationary prices for imports will increase the burden on their exports.

Moreover, the fact that a substantial portion of Western European resources will be required for defense production will increase import requirements and at the same time tend to reduce the amount of goods which they can export. Western Europe may be caught between the rising cost of its imports and the falling level of its exports, so that its present progress toward economic self-support may be undermined. Furthermore, these trends involve a serious risk of inflation in the Western European countries and may handicap their military effort.

In contrast, many underdeveloped countries are

earning more dollars and other foreign currencies as a result of rising demand for raw materials. Rising export prices and incomes, however, create danger of inflation of their internal price levels and thus a danger of increased internal unrest. Moreover, some underdeveloped countries will not, on balance, be more favorably situated. The reduced availability of exports from the United States and other industrial countries whose resources are strained is likely to limit the ability of all underdeveloped countries to obtain goods needed for development. Without cooperative action on the part of both the underdeveloped and the industrial countries, foreign exchange may be used for low priority purposes, as in some cases it has been in the past, and needed goods may not be available. The need for increasing productivity and output is made more urgent by our expanding requirements for supplies which can come only from these areas.

These prospective developments in the rest of the world, together with our own rearmament effort, present grave dangers of inflation and maldistribution of supplies which would adversely affect the United States domestic economy as well as the carrying out of United States foreign policy.

Problems for the Future

In the pursuit of the long-run objectives of our foreign policy it has become necessary to emphasize these major goals: (a) To help make possible, politically and economically, a rapid buildup in the defense capabilities of Western Europe; (b) to help develop additional sources of supply for needed materials; (c) to help strengthen the economic and political structures of the free world in general against the intensified pressures of Communist subversion and penetration; and (d) to continue laying the groundwork for world trade and financial relationships which will promote progress on a self-supporting basis.

The following appear to be the major problems in prospect for our foreign economic policy:

(1) In the case of Western Europe, the difficulties now in prospect are no longer ones of finding export markets, but of producing sufficient goods and services to meet the new and enlarged military requirements and minimum civilian needs, including the exports necessary for self-support. In the interest of the common defense, the Western European countries can and undoubtedly will make sacrifices by foregoing consumption and investment, but there are limits beyond which they cannot go without drastically undermining their economic health and their political cohesion. A sufficient rate of rearmament will probably exceed these limits, and to the extent that it forces a reduction in their exports, it reduces the only means they have of becoming self-supporting.

(2) It is important to increase the production

of the raw materials necessary for defense. It is not enough simply to buy existing supplies—new capital must flow into the raw material producing countries to increase production. Moreover, it is vital not to lose the sources of these needed raw materials to the forces of Communist aggression. Serious dangers are also in prospect with regard to the prices and distribution of primary commodities in the period before measures to increase supplies can become effective. Rapid price increases for many of these commodities cannot significantly increase supplies, but only serve to reinforce the dangerous inflationary pressures which have again emerged throughout the world.

(3) The economic stagnation, political unrest, and extreme poverty of most underdeveloped countries represent a growing threat to the rest of the free world. In general the requirements for adequate economic development are beyond their internal capabilities—in some cases because of inadequate material resources, but more generally because of insufficient technical and administrative ability and the corrosive effects of poverty itself. Despite great obstacles, it is more important than ever to the security and well-being of free countries that social and economic progress be achieved in the underdeveloped areas.

(4) Despite the measures which will be temporarily required to influence the distribution and prices of primary commodities and to assure the needed distribution of manufactured goods, it is still important to continue developing a system of unobstructed international trade and investment that can maximize output and place the major areas of the world on a sound and self-supporting basis.

(5) Major adjustments are needed in some of our own national policies. Especially in the present period of general shortages, a freer flow of imports would be of general benefit in many ways, and at present there exist unreasonable obstructions to such a flow. Administration of any necessary developments with respect to domestic price, allocation, and export controls must take our foreign programs into account if they are not to impair the progress toward our international objectives. Over the longer run, certain policies with regard to agriculture and shipping have an important and unfavorable impact on our foreign economic relations.

(6) There is cause for concern regarding the morale and outlook of peoples in many parts of Western Europe and the underdeveloped areas. Foreign economic policies and programs must be part of a total policy which can generate greater unity, hope, and support for freedom now, while providing the basis for gradual economic improvement in the future.

These various problems are clearly interrelated. From an economic standpoint they all involve the most effective use of the available resources of the free world to support adequate military security,

to increase output, to obtain the needed distribution of output, and to develop an international trading and financial pattern which can efficiently serve these goals.

Thus the solution of the problems of Western Europe and Japan—adequate supplies of food and raw materials, adequate markets (both dollar and nondollar) for exports of manufactured goods, a satisfactory relationship between import and export prices, sufficient total resources to meet the needs of security and stability—is closely related to the development of underdeveloped areas from which many of their raw materials must come, to the achievement of political stability in overseas countries with which Western Europe has responsibilities or close connections, and to United States trade policies.

Similarly, the underdeveloped areas must obtain from the industrialized countries supplies of capital, manufactured goods, and technical aid to achieve needed increases in output and living standards, and assistance in preserving their national independence.

The economic and security interests of the United States itself in the rest of the world are affected not only by economic, political, and social conditions in other countries but also by certain specific requirements—adequate supplies of imported materials essential for security, and of other goods which can contribute to our living standards; self-supporting markets for the output of our farms and factories which the rest of the world needs and which we produce efficiently and in abundance; sufficient ability and will on the part of all free nations to share in the common defense and to participate in an effective system of economic relationships.

Recommendations

Our foreign economic affairs have reached a stage when major policy decisions must be made. The recommendations of this report are intended to assist in this task. Some of them call for legislative action, others involve only administrative action or reaffirm present policies. They are related to one another, and are designed to equip this country to pursue an economic policy abroad that would best contribute to the attainment of our foreign policy objectives. It should be emphasized again that the latter requires much more than foreign economic measures, which by themselves cannot be effective. It requires adequate military defensive strength, sound political and diplomatic policies, a forceful informational program, and the continual strengthening of our own economy.

A. WHAT SHOULD BE DONE ABOUT AID TO WESTERN EUROPE AND JAPAN?

The urgent need for rapidly creating defensive strength in Western Europe, as part of a joint

effort to provide mutual security, forces a postponement of the time when the United States, consistent with its own interest, can end economic assistance. Adequate rearmament—within the time required by the current situation—will require, not only extensive supplies of military equipment from the United States, but also a substantial diversion of Western European output from other uses and some increases in imports. In view of the mutual interest in achieving security, the Western European countries should be willing to undertake diversion of resources from consumption and investment to the extent possible.

The recent marked improvement in the trade and reserve positions of Western Europe reflects, to some extent at least, the favorable effects on their position of developments in the United States, while they have not yet felt the unfavorable impact of their own accelerated rearmament. It seems clear that a sufficiently large and rapid growth in military strength is beyond the capacity of Western European countries solely through their own efforts or with aid only in the form of military equipment.

Provided that the Western European countries undertake a genuinely adequate defense effort, we should be prepared to extend dollar aid to meet the short-run burden of their own military production, insofar as it exceeds the sacrifices which it is within their ability to make. Western Europe is the most critical area from the standpoint of our own security and the security of the free world.

We should also recognize that, unless Western European exports and earnings are maintained to the maximum extent consistent with accelerated rearmament, Western Europe's inability to support itself and consequently its need for economic aid will be unnecessarily prolonged. At the same time, it is important that the Western European countries utilize their total resources more fully and continue to press toward closer economic and political relationships.

With these considerations in mind, it is recommended that:

1. To facilitate the required expansion of Western European defenses in accordance with joint plans, the United States should be prepared to continue supplying aid, apart from military equipment, for another 3 or 4 years beyond the present time. The needed amount of aid depends upon the rearmament effort actually undertaken by individual countries, and its total impact on their economies, these factors being worked out primarily through the economic and production planning agencies of the North Atlantic Treaty Organization.

2. Aid to Western Europe should be planned on the basis of an over-all assessment of requirements rather than on a specific project basis. It should be administered separately from aid in the

form of military equipment shipped from the United States.

3. Such aid should be administered on a basis that will contribute to the fullest possible use of European resources, encourage intra-European trade, and help to integrate the European economic effort. It is recommended that the United States continue to support the development of an effective intra-European payments mechanism. At least for the time being, it should continue to allot to the European Payments Union a portion of the dollar aid it extends to Europe.

4. In the joint planning of security programs, and specifically in helping to increase the defensive strength of Western Europe, adequate consideration should be given to the importance of a high volume of European exports, which are the only means for achieving self-support, although the internal burden of rearming must obviously have an impact on the levels of consumption and investment.

5. In view of the special importance of the pound sterling in world trade and of a strong position of the United Kingdom, the needed rate of increase in British military expenditures should be achieved by means that avoid seriously worsening the external position of the United Kingdom.

Because of its predominant industrial position in the Far East, the potential contribution of a stable and democratic Japan is extremely important for economic growth, the improvement of living standards, and the maintenance of peace in the region. During the last year, with the help of United States Government aid, Japan has been able to add substantially to her dollar reserves, and at the same time has experienced a continued improvement in her balance-of-payments position. This process should continue during fiscal year 1951 with the United States aid already appropriated. Unused resources are still available to permit further increases in output for both exports and domestic use. By fiscal year 1952, with a continuation of present favorable trends, Japan may be self-supporting and may possess substantial dollar and possibly commodity reserves, although living standards will still remain below the prewar level. It is recommended that:

6. Further appropriations for Japanese aid should be carefully considered and measured against the effect of the favorable circumstances brought about by current developments, and also in the light of other recommendations in this report that would increase Japanese export opportunities. However, should Japan for any reason prove unable to increase production for export, it might need external aid.

B. WHAT SHOULD BE DONE ABOUT UNDERDEVELOPED AREAS?

The need for economic development and progress in these areas becomes daily more pressing,

not only for their own welfare, but for the security and the well-being of all the free nations. The process of stimulating development is more complicated and slow than that of assisting recovery in developed countries, and there are limits to the capacity of underdeveloped countries to absorb capital. Wide variations in local internal conditions, as well as in resource potential and in vulnerability to aggression, require diversity in method and flexibility in administration. Each type of stimulus—private investment, public loans, technical assistance, and grants—has a significant role to play.

The following recommendations are intended to increase the scope and improve the effectiveness of these forms of assistance. Taken together, they are intended to constitute the outlines of a total program of development assistance that is both possible and necessary to achieve the objectives of United States foreign policy.

7. Private investment should be considered as the most desirable means of providing capital and its scope should be widened as far as possible. It normally carries with it the technological and administrative skills which are an essential ingredient for effectiveness. There should be constant reevaluation of the role which it can play and the burden of public lending should be correspondingly adjusted. Further study should be given to the desirability and possibility of promoting private investment through tax incentives, in areas where economic development will promote mutual interests, but where political uncertainty now handicaps United States private investment. The possibilities of measures to improve the United States market for sound foreign dollar securities should also be studied. The following steps should immediately be taken, although the uncertainty of their effectiveness in many areas must be recognized in the light of present world conditions.

(a) The negotiation of investment treaties to encourage private investment should be expedited.

(b) The bill to authorize Government guarantees of private investment against the risks of non-convertibility and expropriation should be enacted as a worthwhile experiment.

8. Under present conditions a heavy reliance on public lending must be recognized as essential for an aggressive development program. This will require continued vigorous efforts by the International Bank for Reconstruction and Development, supplemented by the Export-Import Bank, and coordinated with effective technical assistance activities. Their combined efforts should aim at a net outflow of capital to underdeveloped areas in the range of 600 to 800 million dollars a year, of which half or more should be supplied by the International Bank from sources other than the United States Treasury. With respect to United States Government lending, the following steps are also needed:

(a) The lending authority of the Export-Im-

port Bank should be increased from the present 3½ to a total of 5 billion dollars, in order to make advance planning effective.

(b) A general policy of permitting United States loans to be spent outside as well as within the United States should be adopted. In this way, loan recipients can buy goods wherever they are cheapest, and other industrial countries will have an opportunity to expand exports and dollar earnings if they are sufficiently competitive. This would also be in the interests of the United States; it would tend to help relieve inflationary shortages at the present time, and in the longer run to support export markets for United States goods which are likely to be most readily available.

(c) In selected cases loans should be permitted to finance some of the local costs of development projects even though these costs do not involve imports and therefore do not directly require foreign exchange. Such local costs frequently cause an indirect foreign exchange drain, which may handicap or prevent successful development.

9. In some cases, grants may appropriately be used for development and technical assistance, where development programs urgently needed from the standpoint of United States objectives cannot be soundly financed by loans, and where grants will be an effective spur to economic development. Furthermore, our present technical assistance programs in underdeveloped areas should be expanded in scope and made more effective. The United States therefore should make further limited funds available for a program of grants for technical assistance and development. It seems probable that a needed, feasible, and effective program would require funds of up to about 500 million dollars a year for several years, apart from emergency requirements arising from military action. This compares with present funds of about 150 million dollars a year for these purposes.

10. The administration of programs to stimulate development in underdeveloped areas—including loans, technical assistance, grants, and measures to encourage private investment—should be much more closely coordinated than is now the case.

C. WHAT SHOULD BE DONE ABOUT THE PROCUREMENT AND EXPORT OF GOODS IN SHORT SUPPLY?

The United States is a net importer of many minerals and other commodities which are vital to our national security and our economy, and which are produced predominantly in the underdeveloped areas. Rearmament programs here and abroad greatly increase the requirements for these commodities in the face of supplies which are already in many cases inadequate. The recently enlarged stockpiling program will impose further heavy pressure on world supplies. An unchecked scramble for supplies and the inevitable

effects on prices would have serious consequences for the rearmament programs, for our own economy and those of friendly nations. It would adversely affect the balance of payments positions of many Western European countries and Japan, and would introduce an element of instability into the economies of exporting countries. Exports of manufactured goods are also likely to be inadequate to meet all demands, and measures may be required to see that the high priority needs of friendly nations are met. It is recommended that:

11. In addition to necessary and properly administered domestic measures within the United States, methods for international collaboration should be promptly established for guiding supplies of scarce materials among the free nations in the manner best calculated to contribute to the common defense.

12. In administering such export controls as may be necessary, adequate steps should be taken to assure the delivery of goods required by other countries for purposes that support broad United States interests. Cooperative action in assuring a flow of goods needed to support common objectives should be developed with other countries.

13. Efforts should be intensified to effect a rapid expansion in the output of scarce materials, not only through the provision of capital funds and equipment, but also through procurement activities such as long-term contracts.

D. WHAT SHOULD BE DONE TO PROMOTE OUR INTERNATIONAL TRADE AND FINANCIAL OBJECTIVES?

We are working toward the ultimate goal of a peace which rests upon the firm foundations of an expanding world economy. It is, therefore, important that we continue our efforts to encourage world trade and capital investment throughout the world. Only in this way can the nations of the world achieve rising standards of living through sound and self-supporting economies. Despite the restrictions on trade and payments, resulting from persistent dislocations and government policies, or which are likely to become necessary under the strain of rearmament, it is still possible and necessary to make progress in the direction of a system of multilateral and nondiscriminatory trade.

We must, therefore, continue to work for such a system. We must try to establish an adequate system of international payments. We should encourage other countries to adopt the necessary monetary and fiscal measures which can assure sound currencies and obviate the need for direct trade restrictions. We must make sure that our own house is in order—that we have eliminated unnecessary barriers to imports, and that our policies in such fields as agriculture and shipping are so adjusted that they do not impose undue burdens on world trade. In addition, our intensified need

for goods in the short-term future makes it desirable to remove barriers to imports as far as possible in order to augment supplies and alleviate upward pressure on prices.

The United States occupies a central position in world agricultural trade, both as an exporter and as an importer. Our policies in this field are of vital concern to other nations. Similarly, as a major maritime nation, our policy with regard to shipping subsidies directly affects the ability of other maritime nations to earn dollars in international trade. In both cases conflicts tend to arise between considerations of domestic and of foreign objectives.

For these reasons, the following recommendations are made:

14. The United States should continue to work for the elimination of discriminatory trade and exchange practices through the General Agreement on Tariffs and Trade, the Reciprocal Trade Act, and the International Monetary Fund. The United States should also become a member of the International Trade Organization.

15. The United States should consider the eventual desirability of assistance, such as stabilization credits, to permit convertibility of currencies for current account, notably the pound sterling. But such credits should not be granted until all requirements for convertibility, with the exception of adequate reserves, have been met. Neither should such credits be extended unless convertibility will be accompanied by a reduction of trade discriminations.

16. With respect to our own import policy we should:

(a) Continue to seek further general tariff reductions under the Reciprocal Trade Agreements Act, renew the Reciprocal Trade Agreements Act for a period of four years, and continue efforts to assure that obligations mutually undertaken are carried out.

(b) Adopt, as an emergency measure, temporary legislation to permit temporary unilateral reductions in specific tariff rates on commodities which are scarce and when conditions of inflationary pressure exist.

(c) Reduce unnecessary and unreasonable regulatory and procedural barriers by administrative action and by passing the proposed Customs Simplification Act.

(d) Initiate as soon as possible, through the Tariff Commission, a study of the feasibility and desirability of a general tariff reclassification, and to make recommendations concerning proper legislative and administrative action.

(e) Repeal existing legislation which requires, in Government procurement, discrimination against imported goods, and in the meantime reduce the impact of such legislation by administrative action.

17. With respect to our own agricultural policies we should, over the long-run, attempt to

modify our price support system, and our methods of surplus disposal and accumulation of stocks, in ways which, while consistent with domestic objectives, will be helpful to our foreign relations. In the meantime we should:

(a) Eliminate as soon as possible import embargoes imposed for other than sanitary or similar reasons, and in the interim apply their restrictions in a less rigid manner.

(b) Not encourage increases in the domestic production of crops which have to be protected not only by quotas and tariffs but also by direct subsidies to producers.

18. With respect to our shipping industry, we should limit the use of Government subsidies or other protective measures to the amounts necessary to maintain the operation of shipping facilities required for national security. The United States should negotiate with other governments to remove cargo preferences and other similar types of discrimination.

E. HOW SHOULD OUR FOREIGN ECONOMIC PROGRAMS BE ADMINISTERED?

It is continuously necessary to relate the use of resources required by foreign economic programs to other United States needs, and to the capacity of our economy. We must not lose sight of the fact that our economic health is itself vital to attaining the objectives of the free world. In the critical period ahead, when United States resources will be severely strained, United States aid must be channeled to those areas and for those purposes where reasonable performance in the political and economic fields can be achieved. It is important, from this standpoint as well as from others, to develop as far as possible, a cooperative and multi-lateral approach to foreign programs, notably through the United Nations and associated organizations. In the case of some programs, such an approach may be essential for accomplishing the basic purpose. We should recognize that other countries have contributed and will increasingly contribute to the achievement of objectives mutually shared.

It is also important to improve our own methods and organization for carrying on foreign economic programs. We need a high degree of continuity and consistency in legislative and administrative action, and we need a better organization within the executive branch. As the importance of our foreign economic policy has grown, its complexities have increased. Loans, grants, technical assistance, the production and procurement abroad of raw materials for defense, and measures to influence the international flow of goods are all closely related. At the present time, the administration of these various aspects of our foreign economic policy is scattered throughout the Government. While foreign economic policy is a part of our total foreign policy, and the basic

decisions must, of course, be made at the highest level, greater efficiency and effectiveness can be achieved by more administrative centralization. (This report does not attempt to deal with the problem of coordination at broader policy levels, or the relationship of various mechanisms which are now in existence or under discussion for this purpose.)

For these reasons, it is recommended that:

19. Assistance activities should in general be initiated only when requested by other governments and when the latter are prepared to make appropriate contributions and provide cooperative effort.

20. Grants and loans should be made conditional upon agreement as to reasonable standards of performance, and should be used to help achieve these standards. It should be recognized that these conditions will frequently have to relate to broad internal measures and policies.

21. The United States should help to strengthen appropriate international and regional organizations and to increase the scope of their activities. It should be prepared, insofar as practicable, to support their activities as the best method of achieving the economic and security objectives which it shares with other free nations.

22. An agency or organization should be established within the United States Government to administer foreign economic programs. Its functions should include the administration of all grant and technical assistance programs (except the provision of military equipment) and the administration of other related activities, such as the stimulation of needed materials production abroad. It is also necessary to follow through on present efforts to improve the machinery within the Government for coordinating operations in the foreign economic field with over-all foreign policy.

U.S. To Take Every Step To Prevent Extending Hostilities in the Far East

STATEMENT BY THE PRESIDENT

[Released to the press by the White House November 16]

The Security Council has before it a resolution concerning the grave situation caused by the Chinese Communist intervention in Korea. This resolution, introduced by the representatives of Cuba, Ecuador, France, Norway, the United Kingdom, and the United States, reaffirms that it is the policy of the United Nations to hold the Chinese frontier with Korea inviolate, to protect fully legitimate Korean and Chinese interests in the frontier zone, and to withdraw the United Nations forces from Korea as soon as stability has been restored and a unified, independent, and democratic government established throughout Korea.

This resolution further calls upon all states and authorities to withdraw immediately from Korea all individuals or units which are assisting the North Korean forces. I am sure that all members of the Security Council genuinely interested in restoring peace in the Far East will not only support this resolution but also use their influence to obtain compliance with it.

United Nations forces now are being attacked from the safety of a privileged sanctuary. Planes operating from bases in China cross over into Korea to attack United Nations ground and air forces and then flee back across the border. Chinese Communist and North Korean Communist forces are being reenforced, supplied, and

equipped from bases behind the safety of the Sino-Korean border.

The pretext which the Chinese Communists advance for taking offensive action against United Nations forces in Korea from behind the protection afforded by the Sino-Korean border is their professed belief that these forces intend to carry hostilities across the frontier into Chinese territory.

The resolutions and every other action taken by the United Nations demonstrates beyond any doubt that no such intention has ever been entertained. On the contrary, it has been repeatedly stated that it is the intention of the United Nations to localize the conflict and to withdraw its forces from Korea as soon as the situation permits. Speaking for the United States Government and people, I can give assurance that we support and are acting within the limits of United Nations policy in Korea and that we have never at any time entertained any intention to carry hostilities into China. So far as the United States is concerned, I wish to state unequivocally that because of our deep devotion to the cause of world peace and our long-standing friendship for the people of China we will take every honorable step to prevent any extension of the hostilities in the Far East. If the Chinese Communist authorities, or people believe otherwise, it can only be because they are being deceived by those whose advantage it is to prolong and extend hostilities in the Far

East against the interests of all Far Eastern people.

Let it be understood, however, that a desire for peace, in order to be effective, must be shared by all concerned. If the Chinese Communists share the desire of the United Nations for peace and security in the Far East, they will not take upon themselves the responsibility for obstructing the objectives of the United Nations in Korea.

TEXT OF SECURITY COUNCIL DRAFT RESOLUTION

U.N. doc. S/1894
Dated Nov. 10, 1950

The Security Council,

RECALLING its resolution of 25 June 1950, determining that the North Korean forces had committed a breach of the peace and calling upon all Members of the United Nations to refrain from giving assistance to the North Korean authorities,

RECALLING the resolution adopted by the General Assembly on 7 October 1950, which sets forth the policies of the United Nations in respect to Korea,

HAVING NOTED from the special report of the United Nations Command in Korea dated 5 November 1950 that Chinese Communist military units are deployed for action against the forces of the United Nations in Korea,

AFFIRMING that United Nations forces should not remain in any part of Korea otherwise than so far as necessary for achieving the objectives of stability throughout Korea and the establishment of a unified independent and

democratic government in the sovereign State of Korea, as set forth in the resolution of the General Assembly dated 7 October 1950,

INSISTENT that no action be taken which might lead to the spread of the Korean conflict to other areas and thereby further endanger international peace and security,

Calls upon all States and authorities, and in particular those responsible for the action noted above, to refrain from assisting or encouraging the North Korean authorities, to prevent their nationals or individuals or units of their armed forces from giving assistance to North Korean forces and to cause the immediate withdrawal of any such nationals, individuals, or units which may presently be in Korea;

Affirms that it is the policy of the United Nations to hold the Chinese frontier with Korea inviolate and fully to protect legitimate Chinese and Korean interests in the frontier zone;

Calls attention to the grave danger which continued intervention by Chinese forces in Korea would entail for the maintenance of such a policy;

Requests the Interim Committee on Korea and the United Nations Commission for the Unification and Rehabilitation of Korea to consider urgently and to assist in the settlement of any problems relating to conditions on the Korean frontier in which States or authorities on the other side of the frontier have an interest, and suggests that the United Nations Commission for the Unification and Rehabilitation of Korea proceed to the area as soon as possible, and, pending its arrival that it utilize the assistance of such States members of the Commission as now have representatives in the area for this purpose.

United States Foreign Policy¹

by Secretary Acheson

You cannot overestimate the importance of these meetings—important to us here in the Department and I think of great importance to the country. A little less than a year ago at one of the quarterly meetings which some of you attended, I brought in a distinguished foreign visitor who was calling on me and I told him that I was coming down to speak with this meeting, and I wanted him to see what it was like. He sat here in the back of the room and observed the proceedings, and when we went out he was utterly dumfounded by it. He said he supposed there was no

country in the world which approached anything like this. He spoke of his own country, which I shall not name, which is one of the great democracies of the world, and said it would be utterly incomprehensible for the Foreign Minister of his country to invite representatives of organizations from all over the country to come in and participate in the discussion of and the formulation of foreign policy; that he had a new understanding of what the word "democracy" meant in the sense of public participation in the formulation of policy.

I hope these meetings are helpful to you; I know they are very helpful to us; and I know that they are helpful to the country. There has never been a time when there was greater need than there is today for wise and mature consideration of foreign affairs throughout our country and for wise

¹ Extemporaneous remarks made before a National Conference on Foreign Policy held in the Department of State at Washington on Nov. 15 and released to the press on the same date. Present at this Conference were representatives of approximately 200 national nongovernmental organizations who met to discuss various aspects of American foreign policy.

and responsible American leadership throughout the world. We are in a very, very dangerous period, a period which seems to get increasingly dangerous as it develops, and it is going to take a great deal of courage, and a great deal of steadiness, and a great deal of discretion to bring us through this troublous period without involving disaster of some sort. It seems to me that disaster can be avoided, but it can be avoided only if there is a great deal of common sense exercised throughout our country and by our country in its leadership throughout the world.

You are going to hear, and have heard, a great many of our officers discuss questions with you, and I want you to and I hope you will, when you are discussing these matters with them, to think not only of the substance of the problems which they are discussing and the policies that they are developing, but to look at the men themselves, and formulate in your own mind your judgment as to the quality of person that we have in the State Department.

During this past year, there has been a great deal of criticism of the State Department, a great deal of thoroughly discreditable criticism because it hasn't had, as its importance, the objective of bringing out any fact but merely the destructive purpose of sowing the seeds of doubt. What we should like to do is not to meet that by denials but to meet it with knowledge, to meet it by having you meet, and see, and talk with the people who form the top command in the State Department and see what sort of person we have here, and what sort of leadership we have, and what sort of thought we have.

I don't feel in the slightest bit defensive about the State Department. I feel proud of it, and I think you will agree with me, as you talk with these gentlemen who have come before you, that we have here in this Department now a devoted and able, a patriotic group of people who are giving everything they have to the performance of their duty and are giving everything they have to the service of their country. What I hope you will do is to formulate in your own minds your own impression of these people and when you go home you will carry it with you and when people talk about the State Department you can say: "I know. I know because I have talked with these people and I know what they are like." That is a thought which I would like to leave with you.

Political Problems Under Discussion

I shall not go into the details of the problems which my colleagues will discuss with you, but to leave only a few large impressions, impressions of the problems which absorb us here. One can approach these problems in a great many ways. You can approach them geographically or functionally or any other way. For our purposes perhaps it is enough to look at two sides of the globe

and see what are the problems which we are working on at the present time.

EUROPE

In Europe, the great concern is to carry forward the economic strength which has been building up over the past 5 years and also now to turn to the creation of military power that is absolutely essential. These are extremely difficult problems. It means, of course, that there will be some slowing up of economic progress. But there must not be a stop to that progress because it is quite essential that in building up defenses against Communist aggression on the military side one should not open a back door or a side door to Communist propaganda and penetration through economic recession and through discontent on the part of the people of western Europe.

Those people, in my judgment, are solid and are ready to defend themselves, and their liberties, and their countries. But they must see in their countries a developing society, one which offers hope for the future, one which raises a banner around which courageous men can center and for which they can fight.

In building up the military power we have fiscal and budgetary problems which are of very great importance. We have production problems, and we have political problems.

We have been wrestling, as you know, throughout the North Atlantic Treaty Organization with the question of German participation. This raises very difficult questions for the French and very difficult questions for the Germans. These questions have got to be dealt with soberly and quietly without getting exasperated because everyone does not see the problem in exactly the same way. We must find a solution which can be acceptable to all so that we may move forward with very considerable speed in building up that military strength. It is our judgment here that time is most important, that if this strength can be built up quickly then many dangers can be averted which would not be averted if too much time has to be occupied with preliminary adjustments. Therefore, we are moving as quickly as we can in concert with our brethren in the North Atlantic Treaty Organization to find a solution of this problem.

FAR EAST

On the other side of the world we are in very considerable difficulties. But it has its brighter side. This summer has seen an entirely new spirit come into the United Nations Organization as a result of the decisions in regard to Korea. That Organization which had become discouraged is now very far from discouraged. The whole spirit in this session of the General Assembly at Lake Success is wholly different from what it has been

in the last few sessions. There is an atmosphere of determination, an atmosphere of hope, an atmosphere of forward-looking, forward-building about the United Nations which was not there last year.

Everybody is very sober about the situation in Korea. It is a difficult situation. As a result of the first 3-months military operation, the aggression against the Republic of Korea was pretty well crushed, and it looked as though it were only a matter of a few weeks before that could be put down, and then the whole task of reconstructing Korea could go forward, a task which we pointed out in the United Nations should be done without bitterness, should be done in such a way as to bring all the people of Korea into enthusiastic cooperation with the rest of the world in rebuilding their country and making it a guidepost to democratic reconstruction throughout Asia.

Then, this Chinese intervention occurred, and that presents a very difficult problem for everyone. It is a problem which must be met very soberly, and very resolutely, and very wisely. It isn't a matter in which people can get excited and do a lot of talking and get themselves committed to positions which might be untenable.

One of the first things that we must do is to clear away any possible misunderstanding that there may be in the minds of the Chinese. If they believe, as their propaganda states, that the United Nations or the United States have any ulterior designs in Manchuria everything possible must be done to disabuse them of such an illusion because it is not true.

It may be that they have worries about their legitimate interests in the border river and in the contiguous territories on either side. If that is so, everything in the world should be done and is being done to make them understand that their proper interests will be taken care of, and I should suppose that there is no country in the world which has been more outstanding in developing the theory of brotherly development of border waters than the United States. On both our borders, we have taken the lead in doing that. We have worked out with Mexico on the Rio Grande and on the Colorado River arrangements by which the two countries share equitably and constructively the great resources of those two great rivers.

We have done the same with Canada on the St. Lawrence and in all the border waters which stretch across the 2,000 miles beyond the St. Lawrence. So we really are the people who have led the world in international development of border waters, and, therefore, if the Chinese have any doubt that our influence in the United Nations would be used to bring about a constructive adjustment of Chinese-Korean interests in the Yalu River, they would be very much mistaken if they believed we would not do that. We, of course,

would do it. That is what we want them to understand.

If, on the other hand, the Chinese have been led either by ignorance or by some other means to precipitate a really grave crisis in the world, then that must be met with all the resolution, and all the soberness, and all the wisdom at our command. We hope that that is not the case. It would be a tragedy of the most colossal nature if that were so, and, therefore, we must explore carefully and wisely every possibility of ending this Korean aggression in accordance with the principles of the Charter of the United Nations.

Those are some of the great problems which you will want to discuss.

Other Problems

In the economic field, there will be others. I commend to your reading the great report which Mr. Gordon Gray has just given to the President. That is a very full and constructive discussion of the position which the United States can take in economic affairs in the world.

Here at home, we have our problems in regard to building up our own military strength. Those are under study at the present time, and, in due course, the President will present his conclusions to the Congress. I think it is probably clear that they, whatever they may be in detail, will require a very considerable effort for the country. The country must meet that—and again in a wise and resolute way. It will require sacrifices on the part of all of us, but those sacrifices will be essential to our survival and to the survival of free peoples throughout the world.

Above all, we mustn't talk hysterically about any of these matters. We must approach them very calmly indeed. Other nations look to us for leadership, but they look to us for wise leadership and not hysterical utterances. The danger is very close to all of us, but it is closer to some of our friends than it is to us and, therefore, they particularly want us to move in a sober and in as careful a way as is possible through these dangerous waters.

Those are a few observations which I would like to make to you. And, finally, let me say again: While you are here, go through our Department, talk to anyone that you would like to talk with. Go into any bureau, any office that you want and talk to any person that you see there. Have lunch with us. Discuss all sorts of matters with all of our officers and make up your own mind on what kind of State Department this is. And if you think, as I think, that it is a good State Department, one of the best which this country has ever had in its long history, I hope you won't keep that information altogether to yourselves.

ECA Announces Export-Import Bank Loan Aid to Spain

[Released to the press by ECA November 15]

United States loan aid for Spain will get under way immediately, with the Export-Import Bank of Washington acting as the operating agency, the Economic Cooperation Administration announced today.

Procedures for granting the loans have been worked out by ECA, the Export-Import Bank, and the Department of State, at the direction of President Truman, in accordance with Congress' authorization in the General Appropriations Act of 1951 that loans be extended to Spain.

Individual loans will be made for specific Spanish projects having prospects of making substantial contributions to the Spanish economy. The loans will be used to purchase commodities, equipment, and services for each project requiring dollar financing.

Applications for project loans will be submitted to the Export-Import Bank, which will negotiate and process them for approval by the ECA Administrator. Terms and conditions of the credits will be determined by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems.

ECA will not establish a mission in Spain. The Bank will be responsible for checking projects in Spain to make certain that the dollar-financed commodities and services are being used for their specified purposes. In administering the credits, the Bank may call on the facilities of the Department of State.

Although there will not be any bilateral agreement governing the loan aid between the United States and Spanish Governments, all loans extended will be subject to guarantee by the Spanish Government.

The Bank will negotiate credit agreements for each loan. In appropriate cases, the agreements will include provisions to facilitate the acquisition by the United States of strategic materials in which this country is deficient or potentially deficient.

The Bank said that it has received a considerable number of project loan applications which it has already been examining.

Military Assistance to Burma

[Released to the press on November 8]

In accordance with the decision of the United States to supply aid to help other free countries increase their defensive strength in the interest of world peace, the President, after consultations be-

tween the United States and the Union of Burma, has authorized an assistance project, through the Mutual Defense Assistance Program, in the form of 10 river patrol craft for the Government of the Union of Burma.

In taking this action, the United States makes it clear that the assistance provided by it is supplementary to the efforts of the Burmese themselves to maintain their own national security; moreover, that the aid furnished is complementary to, and not in substitution for, any aid that may be made available by the United Kingdom and other countries of the British Commonwealth of nations.

The aid to be furnished by the United States is taking the form of patrol craft capable of providing protection to the movement of river commerce because of the unique importance of the navigable river systems of Burma to commerce and the overall economic well being of that country. The vessels are modern, fast, shallow-draft, coast guard patrol type with improved armament. The work of repairing and refitting has already begun. They will be completely rehabilitated before delivery. Spare parts for maintenance of the craft are to be provided.

Facilities and courses of instruction will be provided in the United States for certain Burmese naval personnel who will receive engine and other training in connection with the transfer of the vessels to Burma.

Mexico Pays Ninth Installment Under Claims Convention

[Released to the press November 17]

The Ambassador of Mexico has presented to the Assistant Secretary for Inter-American Affairs the Mexican Government's check for 2.5 million dollars, United States currency, representing the ninth annual installment due to the United States under the Claims Convention concluded November 19, 1941. The Assistant Secretary requested the Ambassador to convey to his Government an expression of this Government's appreciation.

Under the terms of the Convention, Mexico agreed to pay the United States 40 million dollars, United States currency, in settlement of certain property claims of citizens of the United States against the Government of Mexico, as described in the Convention. Payments heretofore made amount to 26 million dollars. With the present payment of 2.5 million dollars, the balance remaining to be paid amounts to 11.5 million dollars to be liquidated over a period of years by the annual payment by Mexico of not less than 2.5 million dollars, United States currency.

Steel Plant Partly Financed by American Funds Opens in Chile

[Released to the press November 16]

The Department of State announced today that Claude G. Bowers, Ambassador to Chile, has been designated official United States representative at the formal opening of Chile's first major steel mill at Huachipato, November 25.

A director of the Export-Import Bank, Lynn Stambaugh, and Ivan White, Economic and Financial Adviser in the Bureau of Inter-American Affairs in the Department of State, have also been invited by the Chilean Government to attend. The two officials are now in South America on consultative missions in connection with possible Point 4 programs and other economic matters.

The Huachipato mill is the second largest steel plant in South America. Its building was assisted by Export-Import Bank funds in the amount of 48 million dollars of the estimated 88 million dollars construction cost. The remaining funds came from private United States and Chilean sources. The plant has already shipped a small quantity of pig iron to the United States, a reversal of previous circumstances, since Chile heretofore has imported steel. It is estimated that production of the Chilean plant will exceed needs of the national economy and that steel may be available for export to other Western Hemisphere countries, particularly Latin America.

Role of American Magazines In Campaign of Truth

On November 10, the Department of State announced the increasingly important role being played by American magazines in the Department's expanded Campaign of Truth.

By the end of 1950 approximately 800 reprints of articles from American magazines will have been sent overseas to join forces with press, radio, motion pictures, and library facilities in the two-fold job of giving the true facts about the United States and aggressively exposing the methods and aims of Soviet Russia.

More than 250 weekly and monthly magazines have permitted their material to be used in the all-out truth offensive. They are sent to 150 United States Information Centers, plus 125 smaller information outlets in Germany and Austria. In addition to reprints, the Department of State buys over 50,000 annual magazine subscriptions, mostly for use in overseas information centers and libraries.

Articles are reprinted in English and distrib-

uted to all United States diplomatic posts. American information officers serving abroad supervise the translating of the articles into the language of the country. The articles are then offered to editors on an exclusive basis for each city. Since many underdeveloped, but strategic, areas of the world have limited publication facilities, the reprints often turn up in strange places.

Except for an occasional article on philosophy or science, United States magazine articles are rarely reprinted in Russian periodicals.

Welfare Shipments Donated for Berlin Distribution

[Released to the press November 10]

Recent welfare shipments of butter and cheese, sent to Berlin by the Lutheran World Relief, the National Catholic Welfare Conference, and the International Rescue Committee, have totaled over 80,000 pounds, officials of the Berlin Central Distribution Committee have reported to the Office of the United States High Commissioner for Germany.

The food will be distributed through Berlin social welfare offices to invalids and refugees, and through colleges and technical schools to needy students. An estimated 27,000 persons in these categories will benefit under the distribution, and nearly as many more will be aided with food distributed through public welfare agencies.

Berlin's needy have received a total of more than 450,000 pounds of butter and cheese through the Central Distribution Committee since the beginning of August, Committee officials said.

Foreign Nationals Visiting U.S.

Persons arriving in the United States under the program for the exchange of persons through grants-in-aid awarded by the Department of State include:

Evert Vermeer, member of Parliament and secretary of the Dutch Labor Party, The Hague, Netherlands, will study the status of the laborer and of labor unions in American society and American attitudes toward European defense. Mr. Vermeer is also interested in methods employed in the United States for combating communism.

Christian Carlsson, treasurer of the Danish Metal Workers Union, is making a 3-month tour of various industrial centers. He will confer with American Labor leaders and study American union welfare plans, social legislation, and working conditions in industrial plants.

Special Report of U.N. Command Operations in Korea¹

U.N. doc. S/1884
Transmitted Nov. 6, 1950

5 November 1950.

Following is text of special report from Commanding General United Nations Command:

I herewith submit a special report of the United Nations Command operations in Korea which I believe should be brought to the attention of the United Nations.

The United Nations Forces in Korea are continuing their drive to the north and their efforts to destroy further the effectiveness of the enemy as a fighting force are proving successful. However, presently in certain areas of Korea, the United Nations Forces are meeting a new foe. It is apparent to our fighting forces, and our intelligence agencies have confirmed the fact, that the United Nations are presently in hostile contact with Chinese Communist military units deployed for action against the forces of the United Command.

Hereafter, in summary form, are confirmed intelligence reports substantiating the fact that forces other than Korean are resisting our efforts to carry out the resolutions of the United Nations:

A. 22 August: Approximately 50 bursts heavy anti-aircraft fire from Manchurian side of Yalu River against RB-29 flying at 7,000 feet over Korea in the vicinity of the Sui-Ho reservoir; damage, none; time 1600K; weather, 10 miles visibility, high broken clouds.

B. 24 August: Approximately 40 bursts heavy anti-aircraft fire from Manchurian side of Yalu River against RB-29 flying at 10,000 feet over Korea in the vicinity of Sinuiju; damage, none; time 1500K; weather, 20 miles visibility.

C. 15 October: Anti-aircraft fire from the Manchurian side of Yalu River against a flight of 4 F-51's flying near the Sinuiju airfield on the Korean side of the river; damage, 1 aircraft total loss; time, 1445I; weather, overcast at 8,000 feet; 8 to 10 miles visibility.

D. 16 October: The 370th Regiment of the 124th Division of the Chinese Communist 42nd

Army, consisting of approximately 2,500 troops, crossed the Yalu River (Korean border) at Wan Po Jin, and proceeded to the area of Chosen and Fusen Dams in North Korea where they came in contact with U.N. forces approximately 40 miles north of Hamhung.

E. 17 October: Approximately 15 bursts heavy anti-aircraft fire from Manchurian side of Yalu River against RB-29 flying at 10,000 feet over Korea in the vicinity of Sinuiju; damage, none; time 1200I; weather, 8 miles visibility, low clouds 2,300 feet.

F. 20 October: A Chinese Communist Task Force known as the "56th" unit, consisting of approximately 5,000 troops, crossed the Yalu River (Korean border) at Antung and deployed to positions in Korea south of the Sui-Ho Dam. A captured Chinese Communist soldier of this Task Force states that his group was organized out of the regular Chinese Communist 40th Army stationed at Antung, Manchuria.

G. 1 November: A flight of F-51's was attacked early in the afternoon by 6 to 9 Jet aircraft which flew across the Yalu River into Manchuria. No damage was done to US aircraft. A red star was observed on the top of the right wing on one of the Jet aircraft.

H. 1 November: Anti-aircraft fire from the Manchurian side of the Yalu River directed against a flight of 13 F-80 aircraft was observed in the vicinity of Sinuiju at 1345 hours. This resulted in the total loss of 1 U. N. aircraft.

I. 30 October: Interrogation of 19 Chinese prisoners of war identified two additional regiments of 124 CCF Division, the 371 and the 372 in the vicinity of Changjin.

J. 2 November: Interrogation of prisoners of war indicates the 54 CCF unit in Korea. This unit is reported to have same organization as 55 and 56 units, but to be drawn from the 112, 113, and 114 Divisions of the 38 CCF Army.

K. 3 November: Further interrogation of Chinese prisoners of war indicates 56 CCF unit organized from elements of 118, 119, and 120 CCF Divisions of the 40 CCF Army.

L. 4 November: As of this date, a total of 35 CCF prisoners had been taken in Korea.

The continued employment of Chinese Communist forces in Korea and the hostile attitude assumed by such forces, either inside or outside Korea, are matters which it is incumbent upon me to bring at once to the attention of the U. N.

¹ Transmitted to the Security Council by Ambassador Warren R. Austin, U. S. representative in the Security Council, on Nov. 6.

Relief and Rehabilitation of Korea

U.N. doc. A/1493
Dated Nov. 9, 1950

LETTER FROM THE PRESIDENT OF ECOSOC TO THE PRESIDENT OF THE GENERAL ASSEMBLY

Lake Success, 8 November 1950

I have the honour to say that the Economic and Social Council completed its consideration, on 7 November 1950, of the question referred to it by paragraph 3 of the resolution adopted by the General Assembly on 7 October last,¹ namely, plans for the relief and rehabilitation of Korea, and to transmit to you herewith the resolution adopted by the Council (E/1867).² By the decision taken at its 206th plenary meeting, the General Assembly decided to extend to 10 November 1950 the time for submission of the report of the Council and, at the same time, decided that it should be referred to the Joint Second and Third Committee.

The Council resolution contains a draft resolution which it recommends for adoption by the General Assembly relating to (i) the establishment of the United Nations Korean Reconstruction Agency for the Relief and Rehabilitation of Korea, and (ii) general policy on Korean relief and rehabilitation. As regards the financial arrangements, the Council resolution recommends that the General Assembly examine the estimates referred to in the report of the Council's Temporary Committee on the Formulation of a Provisional Programme for the Relief and Rehabilitation of Korea (E/1864), in conjunction with the development of the military situation in Korea, and that the methods of financing the proposed programme be determined by the General Assembly itself.

(Signed) HERNAN SANTA CRUZ,
President, Economic and Social Council

RESOLUTION ADOPTED BY ECOSOC ON NOVEMBER 7, 1950¹

[ANNEX]

The Economic and Social Council,

HAVING REGARD to the resolution adopted by the General Assembly on 7 October 1950 on the problem of the independence of Korea, establishing the United Nations

¹ A/1435.

² See Annex.

³ Originally distributed as U.N. doc. E/1867.

Commission for the Unification and Rehabilitation of Korea to exercise such responsibilities in connexion with relief and rehabilitation as may be determined by the General Assembly after receiving the recommendations of the Council, and requesting the Council, in consultation with the specialized agencies, to develop plans for the relief and rehabilitation of Korea and to report to the General Assembly within three weeks,

HAVING CONSULTED with the specialized agencies,

I. *Recommends* to the General Assembly that it approve the adoption of the draft resolution annexed hereto which provides for a United Nations programme of relief and rehabilitation for Korea and for the organizational arrangements necessary thereto;

II. HAVING NOTED the report of the Temporary Committee on the Formulation of a Provisional Programme for the Relief and Rehabilitation of Korea, which indicates that, on the basis of the figures submitted to it, a programme estimated to cost approximately 250 million dollars would have to be contemplated for a period beginning on 1 January 1951 and extending at least into the early part of 1952,

Recommends that the General Assembly examine these estimates in conjunction with the development of the military situation in Korea;

Recommends further that the methods of financing the proposed programme of relief and rehabilitation be determined by the General Assembly;

Requests the Secretary-General to bring this resolution to the attention of all Member Governments of the United Nations at once, in order that Member Governments may be ready to indicate to the General Assembly, before its present session adjourns, the extent of the contributions they are prepared to make, subject to the action of their respective constitutional bodies.

The General Assembly,

HAVING REGARD to its resolution of 7 October 1950 on the problem of the independence of Korea,

HAVING RECEIVED AND CONSIDERED a report of the Economic and Social Council submitted in accordance with that resolution,

MINDFUL that the aggression by North Korean forces and their warfare against the United Nations seeking to restore peace in the area has resulted in great devastation and destruction which the Korean people cannot themselves repair,

RECOGNIZING that as a result of such aggression the people of Korea are desperately in need of relief supplies

and materials and help in reconstructing their economy,

DEEPLY MOVED by the sufferings of the Korean people and determined to assist in their alleviation,

CONVINCED that the creation of a United Nations programme of relief and rehabilitation for Korea is necessary both to the maintenance of lasting peace in the area and to the establishment of the economic foundations for the building of a unified and independent nation,

BEARING IN MIND the responsibilities placed by the General Assembly on the United Nations Commission for the Unification and Rehabilitation of Korea to represent the United Nations in bringing about the establishment of a unified, independent and democratic government in Korea,

CONSIDERING that the Commission, while exercising such powers in relation to rehabilitation as may be necessary to the discharge of its responsibilities as the principal representative of the United Nations in Korea in relation to political matters, should not be burdened with responsibility for the planning and supervision of operations in the rehabilitation field, and that the United Nations should therefore establish a special authority, with broad powers, to assume the latter responsibility in close co-operation with the Commission,

Establishment of the United Nations Korean Reconstruction Agency for the Relief and Rehabilitation of Korea

A

1. Establishes the United Nations Korean Reconstruction Agency (UNKRA) under the direction of a United Nations Agent General, who shall be assisted by one or more deputies. The Agent General shall be responsible to the General Assembly for the conduct (in accordance with the policies established by the General Assembly, and having regard to such general policy recommendations as the United Nations Commission for the Unification and Rehabilitation of Korea may make) of the programme of relief and rehabilitation in Korea, as that programme may be determined from time to time by the General Assembly;

2. Authorizes the United Nations Commission for the Unification and Rehabilitation of Korea:

(a) To recommend to the Agent General such policies concerning the Korean Reconstruction Agency's programme and activities as the Commission may consider necessary for the effective discharge of the Commission's responsibilities in relation to the establishment of a unified, independent and democratic government in Korea;

(b) To determine, after consultation with the Agent General, the geographical areas within which the Agency shall operate at any time;

(c) To designate authorities in Korea with which the Agent General may establish relationships; and to advise the Agent General on the nature of such relationships;

(d) To take such steps as may be needed to support the Agent General in fulfilling his task in accordance with the policies established by the General Assembly for relief and rehabilitation;

(e) To consider the reports of the Agent General to the General Assembly and to transmit any comments

thereon to the Economic and Social Council and the General Assembly;

(f) To call for information on those aspects of the work of the Agent General which the Commission may consider necessary for the proper performance of its work;

3. Directs the Agent General:

(a) To co-ordinate his programme with measures taken by the United Nations Commission for the Unification and Rehabilitation of Korea to carry out the recommendations of the General Assembly relating to the establishment of a unified, independent and democratic government in Korea, and to support the Commission in fulfilling this task;

(b) To commence the operation of the programme in Korea at such time as may be agreed upon by the United Nations Unified Command, the United Nations Commission for the Unification and Rehabilitation of Korea and the Agent General;

(c) To consult with and generally be guided by the advice of the United Nations Unification and Rehabilitation Commission on the matters set forth under paragraph 2 (a) and be governed by its advice on the matters covered in paragraphs 2 (b) and 2 (c);

4. Further directs the Agent General, in the carrying out of his operations, to:

(a) Ascertain, after consultation with the designated authorities in Korea, the requirements for supplies and services for relief and rehabilitation made necessary by the consequences of armed conflict in Korea;

(b) Provide for the procurement and shipment of supplies and services and for their effective distribution and utilization within Korea.

(c) Consult with and assist the appropriate authorities in Korea with respect to measures necessary for the rehabilitation of the Korean economy and the effective distribution and utilization within Korea of supplies and services furnished;

(d) Submit reports to the General Assembly through the Secretary-General, transmitting copies simultaneously to the United Nations Commission for the Unification and Rehabilitation of Korea, and to the Economic and Social Council;

(e) Be guided in matters of administration, to the extent consistent with the special requirements of the programme, by the rules and regulations established for the operation of the Secretariat of the United Nations; Specifically he shall:

(1) Select and appoint his staff in accordance with general arrangements made in agreement with the Secretary-General, including such of the staff rules and regulations of the United Nations as the Agent General and the Secretary-General shall agree are applicable;

(2) Utilize, wherever appropriate, and within budgetary limitations, the existing facilities of the United Nations;

(3) Establish, in consultation with the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions, financial regulations for the United Nations Korean Reconstruction Agency;

(4) Arrange, in consultation with the Advisory

Committee on Administrative and Budgetary Questions, for an audit of the accounts of the Agency under procedures similar to those applicable to the audit of the accounts of the United Nations;

5. *Establishes* an Advisory Committee consisting of representatives of . . . (Five Member States) to advise the Agent General with regard to major financial, procurement, distribution and other economic problems pertaining to his planning and operations. The Committee shall meet on the call of the Agent General but not less than four times a year. The meetings of the Committee shall be held at the Headquarters of the United Nations except in special circumstances, when the Committee, after consultation with the Agent General, may meet elsewhere if it deems that this would be essential to the proper performance of its work. The Committee shall determine its own methods of work and rules of procedure;

6. *Requests* the Secretary-General, after consulting the United Nations Commission for the Unification and Rehabilitation of Korea and the Advisory Committee to appoint the United Nations Agent General for Korean Reconstruction, and authorizes the Agent General to appoint one or more Deputy Agents General in consultation with the Secretary-General;

7. *Authorizes* the Secretary-General to establish a special account to which should be credited all contributions in cash, kind or services, the resources credited to the account to be used exclusively for the programme of relief and rehabilitation and administrative expenses connected therewith; and directs the Secretary-General to make cash withdrawals from the account upon request of the Agent General. The Agent General is authorized to use contributions in kind or services at his discretion;

8. *Recommends* that the Agent General in carrying out his functions:

(a) Make use at his discretion of facilities, services and personnel that may be available to him through existing national and international agencies and organizations both governmental and non-governmental;

(b) Consult with the Secretary-General and the heads of the specialized agencies before appointing his principal subordinate personnel in their respective fields of competence;

(c) Make use of the advice and technical assistance of the United Nations and the specialized agencies and, where appropriate request them to undertake specific projects and special tasks either at their own expense or with funds made available by the Agent General;

(d) Maintain close contact with the Secretary-General for the purpose of ensuring fullest co-ordination of efforts of the organs of the United Nations and the specialized agencies in support of the programme;

9. *Authorizes* the Agent General to enter into agreements with such authorities in Korea as the United Nations Commission for the Unification and Rehabilitation of Korea may designate, containing terms and conditions governing measures affecting the distribution and utilization in Korea of the supplies and services furnished, in accordance with the statement of general policy on Korean relief and rehabilitation contained in section B of the present resolution;

10. *Requests* the Secretary-General to make available to the maximum extent possible, and subject to appropriate financial arrangements, such facilities, advice and services as the Agent General may request;

11. *Requests* the specialized agencies and non-governmental organizations to make available to the maximum extent possible, and subject to appropriate financial arrangements, such facilities, advice and services as the Agent General may request;

12. *Requests* the Economic and Social Council to review the reports of the Agent General and any comments which the United Nations Commission for the Unification and Rehabilitation of Korea may submit thereon, and such other data as may be available on the progress of relief and rehabilitation in Korea and to make appropriate reports and recommendations thereon to the General Assembly;

13. *Calls upon* all Governments, specialized agencies and non-governmental organizations, pending the beginning of operations by the United Nations Korean Reconstruction Agency, to continue to furnish through the Secretary-General such assistance for the Korean people as may be requested by the Unified Command.

Statement of General Policy on Relief and Rehabilitation in Korea

B

Approves the following statement of general policy:

1. The United Nations programme of relief and rehabilitation in Korea is necessary to the restoration of peace and the establishment of a unified, independent and democratic government in Korea.

2. To this end, it is the objective of the United Nations to provide, subject to the limit of the resources placed at its disposal for this purpose, relief and rehabilitation supplies, transport and services, to assist the Korean people to relieve the sufferings and to repair the devastation caused by aggression, and to lay the necessary economic foundations for the political unification and independence of the country.

3. The United Nations programme of relief and rehabilitation for Korea shall be carried out in practice in such a way as to contribute to the rapid restoration of the country's economy in conformity with the national interests of the Korean people, having in view the strengthening of the economic and political independence of Korea and that, in accordance with the general principles of the United Nations, such assistance must not serve as a means for foreign economic and political interference in the internal affairs of Korea and must not be accompanied by any conditions of a political nature.

4. The United Nations programme is to be a supplement to the general recovery effort that will be undertaken by the Korean people on their own initiative and responsibility, through the most effective utilization of their own resources as well as of the aid which is rendered under the programme.

5. Whilst the programme should be consistent with the pattern of long-term economic development in Korea, it is itself necessarily limited to relief and rehabilitation, and contributions and supplies furnished under this programme shall be used exclusively for that purpose.

6. First priority shall be given to the provision of the basic necessities of food, clothing and shelter for the population of Korea and measures to prevent epidemics. Second highest priority shall be given to projects which will yield early results in the indigenous production of basic necessities; this will include the reconstruction of transport and power facilities. As the programme develops, emphasis should be shifted to the provision of other materials, supplies and equipment for the reconstruction or replacement of war-damaged facilities necessary to the economic life of the country.

7. The necessary measures shall be taken to ensure that distribution shall be so conducted that all classes of the population shall receive their equitable shares of essential commodities without discrimination as to race, creed or political belief.

8. Subject to adequate control, the distribution of supplies shall be carried out, as appropriate, through public and co-operative organizations, through non-profit-making voluntary organizations such as the Red Cross, and through normal channels of private trade. At the same time, measures shall be taken to ensure that the cost of distribution and the profit from the sale of supplies are kept to the minimum. Measures shall be taken to ensure that the special needs of refugees and other distressed groups of the population are met through appropriate public welfare programmes.

9. The local currency proceeds derived from the sale of relief and rehabilitation supplies shall be paid to the Agent General. The Commission may, at its discretion, authorize these proceeds to be used for appropriate additional relief and rehabilitation activities within Korea, for the local currency expenses of the relief and rehabilitation operations of the United Nations, or for measures to combat inflation. The proceeds shall not be used for any other purpose.

10. The necessary economic and financial measures shall be taken by the authorities in Korea to ensure that the resources provided under the United Nations programme, as well as Korean resources, are effectively employed to aid in laying the economic foundations of the country. Among these, special attention should be given to measures to combat inflation, to sound fiscal and monetary policies, to the requisite pricing, rationing and allocation controls (including the pricing of goods imported under the programme), to the prudent use of Korean foreign exchange resources together with promotion of exports, and to the efficient management of government enterprise.

11. Import taxes shall not be imposed on relief and rehabilitation supplies received under the United Nations programme.

12. The authorities in Korea should maintain such records and make such reports on the receipt, distribution and use of relief and rehabilitation supplies as may be determined by the Agent General after consultation with them.

13. All authorities in Korea shall freely permit the personnel of the United Nations to supervise the distribution of relief and rehabilitation supplies, including the examination of all storage and distribution facilities as well as records.

14. The personnel of the United Nations shall be ac-

corded within Korea the privileges, immunities and facilities necessary for the fulfilment of their function.

15. All authorities in Korea and the Secretary-General shall use their best efforts to inform the people of Korea of the sources and purposes of the contributions of funds, supplies and services.

16. In determining Korea's needs for relief and rehabilitation, in drawing up programmes and plans, and in implementing such programmes and plans, the Agency created to administer the relief and rehabilitation programme should consult with and utilize, to the greatest extent feasible, the services of Korean authorities.

STATEMENT BY JOHN J. SPARKMAN U.S. DELEGATE TO THE GENERAL ASSEMBLY^{*}

I would like to call the attention of the Committee to the fact that this resolution is an outgrowth of the resolution that was adopted by the General Assembly on October 7, which created the United Nations Commission for the Unification and Rehabilitation of Korea. The job has been given to us now to try to provide for the rehabilitation part of that resolution.

The Commission that was set up was given certain specific powers, as follows:

(a) to assume the functions that had hitherto been exercised by the United Nations Commission on Korea.

(b) to represent the United Nations in bringing about the establishment of a unified, independent and democratic government of all Korea.

The Assembly in passing that resolution further decided that the Unification and Rehabilitation Commission should exercise such responsibilities in connection with relief and rehabilitation as it may determine after receiving the recommendations of the Economic and Social Council, and requested the Council to develop plans for relief and rehabilitation on the termination of hostilities.

The Economic and Social Council spent weeks in deliberating the type of organization that should be set up for relief and rehabilitation of Korea. The result of its labors are incorporated in the present draft resolution, A/1493.

Mr. Chairman, there was not a single vote cast against that resolution in the Economic and Social Council. In other words, it is before us with a unanimous recommendation of the Economic and Social Council, and it is that resolution that we are now considering.

The resolution creates a United Nations Korean Reconstruction Agency under the direction of a United Nations Agent General. The Agent General is to be responsible to the General Assembly.

The resolution recommends that the Commis-

^{*} Made before Joint Committee II and III on Nov. 13 and released to the press by the U.S. delegation to the General Assembly on the same date.

Members of U.N. Commission for Unification and Rehabilitation of Korea

[Released to the press by U.N. Department of Public Information November 3]

The Secretary-General has been informed by the Governments of Australia, Chile, Netherlands, Pakistan, Philippines, Thailand, and Turkey of the appointment of the following representatives and alternates to serve on the United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK), established by the General Assembly on 7 October 1950:

Australia-----	<i>Representative</i> James Plimsoll, Minister <i>Alternate</i> H. W. Bullock <i>Adviser</i> O. N. H. M. Smyth, member of Department of External Affairs
Chile-----	<i>Representative</i> Ambassador Manuel Trucco, Under Secretary of Foreign Affairs <i>Alternate</i> M. Manuel Garreton, Minister Plenipotentiary to Turkey
Netherlands---	<i>Representative</i> Ambassador Hendrik Mouw, head of Netherlands Mission in Japan
Pakistan-----	<i>Representative</i> Ambassador Mian Ziaud-Din, former rapporteur of the Commission for Eritrea and representative of the Interim Committee on Korea
Philippines----	<i>Representative</i> Dr. Bernabe Africa, Minister, former representative on UNCOK, head of Philippine Mission in Tokyo
Thailand-----	<i>Representative</i> Senator Pote Sarasin, former Minister of Foreign Affairs
Turkey-----	<i>Representative</i> Ambassador Cemal Husnu Taray <i>Alternate</i> Dr. Kamil Idil, alternate representative on UNCOK, former Director General of Public Health

The Secretary-General announced on November 10 the appointment of Constantine Stavropoulos as Principal Secretary of the United Nations Commission on the Unification and Rehabilitation of Korea.

sion for Unification and Rehabilitation shall have certain definite responsibilities in the rehabilitation and relief fields. I want to enumerate briefly

those specific responsibilities that the Commission is to have:

First, to determine geographic areas within which the reconstruction agency shall operate.

Second, to designate the authorities in Korea with which the Agent General may establish relationships.

Third, to recommend policies to the Reconstruction Agency which the Unification Commission may consider necessary for the effective discharge of its responsibility to bring about a unified, independent, and democratic government in Korea.

Fourth, to consider the reports of the Agent General and to transmit comments on the report to the Economic and Social Council and the General Assembly.

Fifth, to call for information on any aspects of the work of the Agent General which the Unification Commission may consider necessary for the proper performance of its work.

The resolution specifically recognizes the fact that the Unification Commission must have the right to determine certain aspects of the problem of rehabilitation and relief which are related to its ability to carry out the specific functions allotted to it by the Assembly.

The resolution further directs the Agent General to coordinate his program with measures taken by the Unification Commission to effectuate the duties assigned to it.

The task of rehabilitating the economic life of Korea and giving relief to its people will in itself be of tremendous magnitude. To do the job effectively will require an Agent General with wide administrative experience and great capacity. If such a person is to be secured for the position of Agent General, he must have broad powers of decision. Our experience with UNRRA gives conclusive proof that an administrator can not function effectively if his plans and actions are subject to prior scrutiny and supervision by a commission, no one of whose members can be as well acquainted as he is with the economic needs of the economy of Korea.

The Unification Commission is going to be fully occupied with its duty of bringing about a unified, independent, and democratic Korea. As we often say, it is going to have its hands full in this job.

The proposed amendment submitted by the delegate from Chile grants wide power to the Unification Commission to participate in the planning and supervision of the work of the Agent General according to my interpretation of the wording of the amendment. It is the belief of our delegation that this power will not only militate against securing the type of administrator that is essential to the effective carrying out of the relief and rehabilitation program but may also lead to delay and possible friction in the daily implementation and making of decisions in the operation of the program.

The United States delegation believes that an advisory group should be available to the Agent General to advise him on major financial, procurement, distribution, and other economic problems pertaining to his planning and operations. The resolution provides for such a committee which shall meet with him at least 4 times a year. It is our opinion that this advisory committee should be made up of representatives from member states who have had experience in procurement problems, distribution problems, matters of finance, and other economic matters which will be of concern to the Agent General.

It is the hope of the United States delegation that the machinery set up for relief and rehabilitation in Korea will be of such a nature as to enable the people of Korea speedily to get back on their feet and to make their own living. We are convinced that this can be accomplished most efficiently, most quickly, and most easily, and the necessary funds can be raised most readily if we have a rehabilitation organization which has the broadest possible powers consistent with the policies laid down by the General Assembly. These policies are carefully enunciated in the resolution of the Economic and Social Council that is now before us. We feel that the proposed amendment to the preamble submitted by the representative of Chile has within it the possibility of not only limiting the powers of the Agent General but of causing delay in making decisions and implementing such decisions. We feel that the Economic and Social Council resolution gives to the Unification and Rehabilitation Commission all of the essential powers in the field of relief and economic rehabilitation that are necessary to enable it effectively to carry out the unification and democratization of Korea. It has the power to determine in advance the geographic areas within which the Agent General shall operate. It has the power to designate in advance the Korean authorities with whom the Agent General shall establish relationships. It has the power to recommend policies which it considers necessary to enable it to carry out its responsibilities. It has the power to call for information on any aspects of the relief and rehabilitation work which it feels it needs for the proper performance of its work. It has the power to review the reports of the Agent General and to submit to the Economic and Social Council and the General Assembly any comments it may wish to make concerning the Agent General's work.

We are convinced that the clauses in the original Ecosoc draft recognize the important responsibilities imposed on the Unification and Rehabili-

tation Commission and are of the belief that these paragraphs should be retained as submitted to us from the Council. We cannot agree to the removal of the responsibility for planning and supervising operations in the field of rehabilitation from the Agent General as proposed by the honorable delegate from Chile, as we interpret his language. We cannot accept his interpretation of the implications of his amendment. We regret that if the amendment should come before us in its present form we would be compelled to vote against it.

However, Mr. Chairman, let me say that we appreciate the remarks that have just been made by the distinguished chairman of the Economic and Social Council, the delegate from Chile. We appreciate the attitude that he has expressed. I well realize the difficulty of ever getting a resolution that suits me exactly or suits any other person exactly.

Mr. Chairman, a long time ago, I learned, as I am sure all of us have learned, that legislation, action by any legislative body, resolutions by committees such as this or any other group of which we may be a part, represent, at the best, a compromise of the views of the various members constituting that particular committee or body. We know that such may be true here. The resolution as it comes from the Economic and Social Council, even though it came out by a unanimous vote, I would not say would please any particular person 100 percent. Certainly, Mr. Chairman, it did not represent completely our thinking as to what should be in the resolution, but we were willing to accept it because we believed that it represented as nearly as possible the composite thinking of the Economic and Social Council and therefore that, in the interest of unanimity, we should go along with it.

Mr. Chairman, I do not wish to be misleading in the statement that I made. I said the vote was unanimous. As a matter of fact, there were no opposing votes. It is my information that there were three abstentions when the resolution was adopted by the Economic and Social Council.

Now, having said that, let me say that we do welcome most heartily the suggestion that the distinguished delegate from Chile has made to the effect that he is not insistent upon any particular language as long as we can get the job done. I believe that we are in accord as to what we want done, and I am hopeful, Mr. Chairman, that language can be worked out that will be successful to all of us to do an efficient and effective job in rehabilitating Korea. It is a job that we want well done for all the world to see.

Assistance for the Civil Population of Korea

REPORT BY THE SECRETARY-GENERAL

U.N. doc. E/1851/Rev. 1
Dated Oct. 11, 1950

INTRODUCTION

1. Under Economic and Social Council resolution 323 (XI) of 14 August 1950¹ concerning assistance for the civil population of Korea, the Secretary-General has been requested "to render progress reports to the Council on action taken under this resolution and to include, when appropriate, such other information and observations as may be helpful for the consideration of longer-term measures for economic and social assistance to the people of Korea".

2. The progress report which follows covers United Nations assistance for the civil population in Korea which has been obtained to date or which is in process of being applied. The report is intended as merely a report on developments and does not enter into the question of the total needs of Korea for relief, or for rehabilitation and reconstruction. It should be noted that prior to the consideration of the question by the Economic and Social Council in the first two weeks of August, appeals for effective assistance to the Republic of Korea had been made by the Secretary-General pursuant to the Security Council's resolutions on the Korean question of 27 June² and 7 July,³ which resulted in offers not only of military, but also of relief assistance. Furthermore, on 14 July, the Secretary-General addressed a further appeal to Member Governments, at the request of the Unified Command. The Security Council's resolution on Korean relief of 31 July⁴ resulted in further offers of relief assistance from Governments, specialized agencies and non-governmental organizations, independently of the Economic and Social Council's resolution of 14 August. The present progress report therefore contains information on United Nations assistance for the civil population of Korea from the inception of the United Nations

action in Korea, and covers international measures which have been of a strictly non-military nature.

3. It should be pointed out that in addition to the specific measures referred to in this report, negotiations are still proceeding between the Unified Command and Governments or organizations on the one hand, and between the Secretary-General and Governments or organizations on the other hand, regarding further measures of assistance which have not as yet been formulated in specific terms.

Action by the Security Council and the Economic and Social Council

4. Subsequent to the Security Council's resolution of 27 June (S/1511) recommending assistance to the Republic of Korea and of 7 July (S/1588) recommending that a unified command be set up, offers of foodstuffs, medical and financial assistance, as well as raw materials, were received from a number of Governments in support of the Council's action in Korea.

5. On 31 July the Security Council adopted a resolution on Korean relief (S/1657) in which the Secretary-General, the Economic and Social Council, other appropriate United Nations principal and subsidiary organs, specialized agencies and appropriate non-governmental organizations were requested to provide such assistance as the Unified Command might request for the relief and support of the civilian population of Korea "and as appropriate in connexion with the responsibilities being carried out by the Unified Command on behalf of the Security Council". The Unified Command was requested "to exercise responsibility for determining the requirements for the relief and support of the civilian population of Korea, and for establishing in the field the procedures for providing such relief and support", and the Secretary-General was requested "to transmit all offers of assistance for relief and support to the Unified Command". In connexion with the request that the Unified Command "provide the Security Council with reports, as appropriate, on its relief activities", the Unified Command, in its fourth and fifth

¹ BULLETIN of Aug. 28, 1950, p. 332.

² BULLETIN of July 3, 1950, p. 7.

³ BULLETIN of July 17, 1950, p. 83.

⁴ BULLETIN of Aug. 14, 1950, p. 244.

reports to the Security Council, for the periods of 16 to 31 August and 1 to 14 September, respectively, included information on civilian relief (S/1796⁵ and S/1834).⁶

6. On 2 August the Economic and Social Council decided to include the question "Assistance for the civil population of Korea" as a supplementary item on its agenda, and on 14 August unanimously adopted resolution 323 (XI), as submitted by the President of the Council on behalf of all members present.

Procedure for Coordination of Relief Activities

7. Immediately after the outbreak of hostilities in Korea, the Secretary-General appointed, as his personal representative in Korea, Colonel A. G. Katzin, who left for Tokyo and Korea on 1 July. Subsequently the Secretary-General assigned Mr. C. Hart Schaaf, of the Staff of the Economic Commission for Asia and the Far East, as Special Adviser on Civilian Relief, to co-ordinate the civilian relief requirements with the Unified Command and the Government of the Republic of Korea. A special staff was also recruited for the Secretary-General's office at Headquarters, and on 17 August Brigadier R. Parminster took up his duties as Special Assistant for Korean Relief, under the over-all direction of the Executive Assistant to the Secretary-General. Procedures for the co-ordination of the handling of assistance were developed in the light of the relevant resolutions of the Security Council and of the Economic and Social Council, in the course of full discussions between representatives of the Secretary-General and the Unified Command.

8. A statement of co-ordination procedures, agreed upon by the Secretary-General and the Unified Command and followed since early July, has been circulated to Member Governments, specialized agencies and other organizations concerned. These procedures lay down that the requests for assistance made to the Secretary-General by the Unified Command, after being agreed to by the Unified Command and the Korean Government, would be transmitted by the Secretary-General to Member Governments, competent specialized agencies and, when appropriate, non-governmental organizations. In connexion with this transmittal of requests, the Secretary-General has availed himself of the best technical advice, both from the United Nations Secretariat and from specialized agencies. Similarly, the responses to these requests and independent offers of assistance made by Governments, specialized agencies or other organizations, would likewise be made to the Secretary-General, who would transmit them to the Unified Command. Upon the acceptance by the Unified Command of an offer of assistance, the Secretary-General would inform

the Government or organization concerned of the acceptance, and the Unified Command would then establish direct communication with the Government or organization concerned, so as to arrange the details of the offer and its shipment to Korea.

Specific Requests by the Unified Command

9. The eight requests which have been received to date, with an estimated dollar value of approximately \$34,000,000, were transmitted to those Governments, other than the United States, or organizations which, it was considered, might be in the best position to contribute towards filling them. The United States Government had already indicated that it was furnishing a large portion of the most urgently required relief supplies and personnel from its own funds and resources.

10. The eight requests of the Unified Command have been as follows:

Request No. 1—medical supplies, dated 5 August, was transmitted to the following Governments: Argentina, Australia, Belgium, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Denmark, Dominican Republic, Ecuador, France, Guatemala, Haiti, Honduras, India, Israel, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippines, Sweden, Turkey, Union of South Africa, United Kingdom, Uruguay and Venezuela; and to the World Health Organization and the International Refugee Organization. Offers towards meeting this request were made by Cuba, Israel, France, Philippines, Turkey, Uruguay, Venezuela and Iro. Procurement facilities were offered by WHO.

Request No. 2—five public health teams, dated 5 August, was transmitted to the World Health Organization and the International Refugee Organization. This request has been met in full.

Request No. 3—four public health and welfare specialists, dated 1 September, was transmitted to the World Health Organization. This request has been met in full.

Request No. 4—cereals, dated 5 September, was transmitted to the following Governments: Argentina, Brazil, Canada, Denmark, Ecuador, Egypt, France, Mexico, Nicaragua, Philippines, Thailand and Turkey. The contributions of the Philippines and Thailand have met in full the item on rice.

Request No. 5—additional cereals, dated 14 September, was transmitted to the following Governments: Argentina, Australia, Brazil, Burma, Canada, Chile, Denmark, Ecuador, Egypt, France, Mexico, New Zealand, Nicaragua, Turkey and United Kingdom. The item on rice had already been met in full by the Philippines and Thailand under Request No. 4. An offer previously made by Pakistan was accepted by the Unified Command in partial fulfillment of the item on wheat,

⁵ BULLETIN of Oct. 2, 1950, p. 539.

⁶ BULLETIN of Oct. 16, 1950, p. 605.

and New Zealand has made an offer towards meeting the item on proteins.

Request No. 6—sugar, dated 16 September, was transmitted to the following Governments: Belgium, Cuba, Denmark, El Salvador, France, Mexico, Netherlands and the Union of South Africa. The response of Cuba and Denmark have met over eighty per cent of this request.

Request No. 7—salt, dated 18 September, was transmitted to Canada and the United Kingdom.

Request No. 8—general supplies, dated 20 September, was transmitted to the following Governments: Afghanistan, Argentina, Australia, Belgium, Bolivia, Brazil, Burma, Canada, Chile, China, Colombia, Costa Rica, Cuba, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, France, Greece, Guatemala, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Israel, Lebanon, Liberia, Luxembourg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Saudi Arabia, Sweden, Syria, Thailand, Turkey, Union of South Africa, United Kingdom, Uruguay, Venezuela, Yemen and Yugoslavia; and to the United Nations International Children's Emergency Fund. UNICEF has met in full the requirements of two of the items in this request.

Offers of Assistance Not Specifically Requested by the Unified Command

11. A number of offers of relief assistance for Korea have been received by the Secretary-General independently of the requests of the Unified Command and have been submitted to the Unified Command in accordance with the agreed procedure. Those offers which corresponded to specific requests from the Unified Command were matched with the requests and were dealt with accordingly. It should again be noted (see par. 9 above) that a substantial portion of the most urgently required relief needs were being met by the Government of the United States from its own funds and supplies.

12. The offers which are listed below relate solely to civilian relief needs. The list does therefore not include offers clearly related to the military needs of the United Nations forces which do not come within the scope of this report such as offers of canned and frozen meat, by Argentina; copper and saltpetre, by Chile; an ambulance detachment and a hospital ship, by Denmark; a field ambulance unit and a small surgical unit by India, a field hospital, by Italy; fresh blood, by the Philippines; and a complete field hospital, by Sweden. For the same reason this report does not include offers of transportation facilities made by Belgium, Canada, China, Greece, Norway and Panama.

13. The offers of civilian relief assistance which have been submitted to the Secretary-General inde-

pendently of requests by the Unified Command are listed below.

14. In addition to these offers, it should be noted that the Chairman of the Chinese Delegation to the General Assembly informed the Secretary-General, on 4 October, that the National Government of China had decided to send by Chinese ships to the Republic of Korea for civilian relief purposes the following products of Taiwan: 10,000 tons of coal; 1,000 tons of rice; 3,000 tons of salt; and 20 tons of DDT.

Medical assistance

MEMBER GOVERNMENTS

Denmark----- medical supplies (5 July)
Ecuador----- medical substances (1 August)
Iceland----- cod liver oil (14 September)
Israel----- medical supplies (10 August)
Philippines----- medical supplies (7 July)
soap (7 July)
vaccines (7 September)
Turkey----- vaccines and antitoxin (29 August)

U.N. AND SPECIALIZED AGENCIES

UNICEF----- medical supplies (28 September)
IRO----- medical supplies (3 August)

Foodstuffs

MEMBER GOVERNMENTS

Nicaragua----- general offer, dated 5 July
Pakistan----- wheat (29 August)
Philippines----- rice (7 July)
copra and coconut oil (7 July)
Thailand----- rice (30 June)

SPECIALIZED AGENCIES

FAO----- general offer of assistance (2 August)

Financial assistance

MEMBER GOVERNMENTS

Brazil----- 50,000,000 cruzeiros (22 September—
offer in process of being formalized)
Ethiopia----- 100,000 Ethiopian dollars (5 August)
Lebanon----- 50,000 U.S. dollars (26 July)
Uruguay----- 2,000,000 U.S. dollars (14 September)

Miscellaneous

MEMBER GOVERNMENTS

El Salvador----- economic assistance (15 August)
Liberia----- natural rubber, valued at \$10,000 (17
July)
Nicaragua----- natural rubber (5 July)
Venezuela----- economic assistance (26 July)

SPECIALIZED AGENCIES

FAO----- proposals for long-range planning (18
August)
IRO----- various items (13 August)
UNESCO----- proposals for assistance in the educa-
tional scientific and cultural field
(28 August)

NON-GOVERNMENTAL ORGANIZATIONS

Co-operative for general offer of assistance (1 August)
American Re- various items (21 September)
mittances to Eu-
rope (CARE)
Church World
Service----- various items (25 September)
War Relief
Services----- clothing (21 September)

Arrangements With Nongovernmental Organizations

15. As requested under paragraph 4 of the Council's resolution of 14 August, a large number of non-governmental organizations, national as well as international, "have been invited to give such help as is within their power for the relief of the civilian population in Korea", and copies of the statement of co-ordination procedures have been sent to them by the Secretary-General. Special arrangements, as envisaged in the statement of co-ordination procedures, have been agreed to with the League of Red Cross Societies.

Understanding of and Support For the Action of the United Nations in Korea

16. Under paragraph 3 of Economic and Social Council resolution of 14 August, Member Governments, the Secretary-General and appropriate non-governmental organizations, particularly those in consultative status, were invited "to assist in developing among the peoples of the world the fullest understanding of and support for the action of the United Nations in Korea".

17. In this connexion, the Secretary-General has called the attention of non-governmental organizations to these provisions, in a special letter addressed to organizations in consultative status with the Council, as well as to a large number of international and national organizations in touch with the United Nations Secretariat. A special leaflet and background information are being prepared for the use of non-governmental organizations and other channels of public information, while "background conferences" will be organized from time to time, as appears suitable, for the accredited representatives of non-governmental organizations.

18. Under paragraph 3 of the Council's resolution, the Secretary-General was also requested "to seek on behalf of the Council the co-operation of specialized agencies as appropriate" for the developing among the peoples of the world the fullest understanding of and support for the action of the United Nations in Korea. Acting as a result of this part of the resolution of the Council, the Executive Board of the United Nations Educational, Scientific and Cultural Organization, called in special session on 26 August, on 28 August adopted a resolution which, *inter alia*, instructed the Director-General of UNESCO "to develop, within the resources at his disposal, including the periodical publications of the Organization, the execution of the programme resolutions concerning Teaching about the United Nations and its Specialized Agencies putting particular emphasis on the necessity for collective security, based on respect for law, with the aid of concrete examples and to this end to utilize appropriate documentation provided by the Secretary-General of the United Nations".

19. In implementation of the above resolution, a further resolution was adopted authorizing the Director-General "to prepare, in close and constant collaboration with the United Nations, both written and audio-visual materials for use in schools, adult classes and universities; to produce and distribute these to Member States. . . ; to put at the disposal of the Secretary-General of the United Nations two specialists with instructions to co-operate with the United Nations Secretariat in order to assemble relevant documentation in connexion with the United Nations' action in Korea".

20. Subsequently the Executive Board allocated \$50,000 for this programme, and the Director-General appointed a team of educational experts who, under agreement with the Secretary-General, were to work with the appropriate departments of the United Nations Secretariat.

[Here follows Annex I, not here printed, that includes excerpts on civilian relief from the fourth and fifth reports to the Security Council on United Nations Command Operations in Korea as printed in the BULLETIN of October 2, 1950, p. 539 and October 16, 1950, p. 605, respectively. Annex II, not here printed, contains resolutions 323 (XI), adopted by the Economic and Social Council on August 14, 1950, as printed in the BULLETIN of August 28, 1950, p. 332.]

Annex III

Procedures for Coordination in the Handling of Assistance to the Republic of Korea (Relief Measures)

The steps set down below have been agreed upon by the United Nations and the Unified Command to facilitate during the present emergency co-ordination for the prompt and expeditious handling of offers of assistance from Member Governments, specialized agencies and non-governmental organizations, and of requests of assistance from the Unified Command (Use).

1. The requirements for relief measures in Korea both in supplies and personnel will be determined by the appropriate branches of the Unified Command, Tokyo, and the Korean Government. The most urgently needed supplies will be procured locally through Unified Command, Tokyo. Notification of total requirements will be made to the Unified Command, Washington, and will be forwarded to the United Nations by the Unified Command together with an indication of those requirements of great urgency which the Unified Command is undertaking to fill on an emergency basis.

2. The Unified Command will transmit to the Secretary-General through the United States Mission to the United Nations requests for assistance based on all the requirements. In turn the Secretary-General will transmit to the Unified Command through the United States Mission to the United Nations all offers of assistance including all responses to the requests of the Unified Command from Governments, specialized agencies and non-governmental organizations.

3. The Secretary-General will act as the focal, co-ordinating point for requests and offers of assistance. The Secretary-General will channel requests for assistance to the permanent delegations of Member Governments, to the appropriate specialized agency or agencies; and, where appropriate, to non-governmental organizations.

4. After the Unified Command has indicated interest in an offer of assistance by a Member Government, the Secretary-General will enter into preliminary consultations to

crystallize the offer. The preliminary consultations may involve questions of transportation, specifications of types of supplies offered, advancing suggested dates of delivery, increase in quantities of certain items more urgently needed at the expense of others, etc., insofar as this information is necessary to make the offer specific.

5. The Secretary-General will continue to explore availabilities with permanent delegations of member governments, specialized agencies and where appropriate with non-governmental organizations, and will keep the Unified Command informed of the various steps he takes in implementing the request.

6. The Secretary-General will maintain a summary of the requests and offers of assistance showing the extent to which the requests are being met. He will keep the Unified Command currently informed of the status of its requests for assistance.

7. When the Unified Command has received an offer of assistance through the Secretary-General, the Unified Command will inform the Secretary-General whether it will make immediate use of the offer or prefer to hold it under consideration for the time being.

8. If the Unified Command desires to hold an offer under consideration the Secretary-General will inform the permanent delegation of the Member Government, the specialized agency or the non-governmental organization concerned. Where an offer cannot be immediately utilized but may be required at a later stage, the Secretary-General will so inform the delegation of the Member Government, the specialized agency or the non-governmental organization and will also endeavour to keep the offer open until it is required. When the Unified Command has come to the conclusion that an offer cannot be utilized, the Unified Command will so inform the Secretary-General, who will in turn inform the delegation of the Member Government, specialized agency or non-governmental organization. Where practicable, the Secretary-General will inquire whether that Government, specialized agency or non-governmental organization is in a position to provide other supplies or services which have been specifically requested by the Unified Command.

9. When the Unified Command has indicated that it desires to make immediate use of an offer, it will so inform the Secretary-General and will then enter into direct negotiations with the Member Government, specialized agency or non-governmental organization concerned regarding the technical and administrative questions involved in transferring the supplies in question to the Korean theater. The Unified Command will keep the Secretary-General currently informed of the status of these negotiations. The Secretary-General will take into account the progress of the negotiations in maintaining the record of the over-all status of requests and offers of assistance.

10. The Secretary-General has established the Korean Relief Assistance Fund where monetary contributions will be deposited for use in the general programme. The Secretary-General will inform the Unified Command of all monetary contributions offered and received. If a Member Government has made a contribution of funds, the Secretary-General will consult the permanent delegation of the donor Government regarding the use of its contribution by the United Nations or specialized agencies to purchase supplies and transport or meet other directly related costs either in that Government's country or in other countries. The Secretary-General will also consult with the Unified Command on the use to be made of these funds. The Secretary-General will submit financial accounts to the permanent representatives of the contributing governments showing how the funds contributed by their Governments have been used.

11. Where no specific offer of assistance has been made, but a Member Government has indicated, through the Secretary-General, its readiness to enter into direct consultations in order to define the nature of its assistance, the Secretary-General will initiate these consultations and will inform the Unified Command of the results.

12. Where a Member Government transmits to the Sec-

retary-General an offer from a private firm, the Secretary-General will suggest to the Member Government that it enter into direct negotiations with the private firm concerned for the purpose of re-submitting it through the Government. Whenever practicable, this procedure will be used with regard to offers from non-governmental organizations, except in those cases where the non-governmental organizations are sufficiently well organized to handle the contributions of their national members on an international scale (e.g., League of Red Cross Societies).

13. Representatives of non-governmental organizations or specialized agencies who may be attached to the United Nations Command, Tokyo, for the purpose of providing their agencies with on-the-spot reports regarding the utilization of the supplies and services provided by these agencies, will not be used as channels for the transmission of requests from or offers of assistance to the Unified Command. Any information they may be able to provide will be used by the organizations concerned, by the Secretary-General, and by the Unified Command as background material only.

14. The Unified Command will provide the Secretary-General with periodic over-all reports on the relief needs of the Korean people and on the implementation of the Korean relief programme. The data in these reports may be used by the Secretary-General in connexion with his reports to the Economic and Social Council which are required under the Council's resolution on Korean relief.

[Here follows Annex IV, not here printed, that lists the specific requests by the Unified Command, including alcohol, cresol solution, carbolic acid, iodine, penicillin, gauze, vaccines, and many other items. Annex V, not here printed, includes offers of assistance not specifically requested by the Unified Command.]

Charles Taft Named Head of American Relief for Korea

[Released to the press November 10]

Charles P. Taft of Cincinnati, chairman of the State Department's Advisory Committee on Voluntary Foreign Aid, announced today the formation of American Relief for Korea.

The new organization will operate under the auspices of the American Council of Voluntary Agencies for Foreign Service, which conducts programs of welfare and aid for the peoples of foreign countries. Clarence Pickett of the American Friends Service Committee is acting chairman of the council, which includes some 54 major voluntary organizations in the United States.

A working committee has been formed and plans are under way to issue invitations to prominent citizens to serve on the new committee. American Relief for Korea will channel voluntary aid to meet the needs of Korea as specified by the unified command.

Pending the completion of organization details by American Relief for Korea, the State Department's Advisory Committee on Voluntary Foreign Aid will continue to coordinate aid offers.

This new effort by the American people is intended to supplement the work of the United Nations in this field.

U.S. Denies Use of Japanese Troops by U.N. Forces in Korea

[Released to the press November 16]

The United States representative on the Far Eastern Commission, Maxwell Hamilton, today replied, in the following terms, to the Soviet allegation on November 2, 1950, that Japanese military personnel are being used by the United States in military actions in Korea:

With reference to the allegation of the Soviet representative on the Far Eastern Commission on November 2, 1950, that Japanese military personnel are being used by the United States in military actions in Korea, the United States representative at the meeting of the Far Eastern Commission on November 16, 1950, stated that he wished to call attention to the flat denial of this charge that was made by representatives of the Department of State and the Department of the Army, after the Soviet representative had released his statement to the press. The United States representative said that he wished to add that in a statement from the Supreme Commander for the Allied Powers, the Supreme Commander stated that there is no slightest vestige of truth in the Soviet claim that Japanese troops are being used by the United Nations or the United States in any way, shape, or form.

Colombian Infantry Units Join U.N. Forces in Korea

The Republic of Colombia on November 14 has made a formal offer to the unified command of an organized unit of its armed forces for participation in Korean action.

The Colombian Ambassador Zuleta Angel, in a note delivered to Edward G. Miller, Jr., Assistant Secretary for Inter-American Affairs, communicated his Government's decision to place at the disposal of the unified command one battalion of infantry, consisting of approximately 1,080 specially trained army troops.

The ceremony took place in Mr. Miller's office. Lt. Gen. M. B. Ridgway, Chairman of the Inter-American Defense Board, represented the Department of Defense.

The Colombian note referred to the appeal of the Secretary-General of the United Nations to member states last July 14 for military assistance to repel aggression against the Government of Korea and to the affirmative reply of the Colombian Government on July 28.

In a note acknowledging the Colombian offer, the Secretary of State expressed appreciation for

the "generous offer of assistance" by the Colombian Government and promised "immediate and careful consideration" by the unified command. The Secretary-General of the United Nations is being informed of the receipt of the Colombian offer.

In his remarks following the presentation of the Colombian note, Mr. Miller declared Colombia's support against Communist aggression has already been outstanding.

He referred to that country's offer of the frigate *Almirante Padilla*, accepted October 4 by the unified command. The ship carries 10 commissioned and 30 noncommissioned officers and a crew of 150 men.

Israel Sends Medical Supplies to Korea

[Released by the U.N. Department of Public Information November 7]

Almost 6 tons of medical supplies valued at an estimated \$100,000, which the Government of Israel has offered to the unified command in Korea, arrived in New York on November 8.

This consignment, made through the Secretary-General, will arrive on the S. S. *LaGuardia*. On hand for the arrival will be Brig. Gen. R. H. R. Parminter, representing the Secretary-General of the United Nations, and Arthur Lourie, member of the Israeli delegation to the United Nations and Consul General of Israel in New York.

The medical supplies include 50,000 bottles of penicillin crystallin, 250,000 tablets of sulfaguandine, 200 pints of creosol, 100 pints of carbolic acid, and diphtheria, typhoid, tetanus, and cholera vaccines.

Communiqués Regarding Korea to the Security Council

General Douglas MacArthur, Commander in Chief of United Nations command, has transmitted communiqués regarding Korea to the Secretary-General of the United Nations under the following United Nations document numbers: S/1840, October 11; S/1841, October 11; S/1843, October 12; S/1846, October 13; S/1847, October 16; S/1848, October 16; S/1850, October 17; S/1853, October 17; S/1858, October 21; S/1859, October 19; S/1863, October 23; S/1865, October 25; S/1869, October 26; S/1871, October 25; S/1872, October 28; S/1877, October 31; S/1879, November 1; S/1880, November 2; S/1881, November 3; S/1882, November 3.

South African Planes, Pilots Join U.N. Forces in Korea

[Released to the press by the U.N. Department of Public Information November 2]

The Flying Cheetahs, a complete squadron of the South African Air Force consisting of 50 officers and 157 enlisted men, will arrive in Yokohama November 4. This announcement was made in Tokyo by Col. J. Pretorius, senior South African liaison officer in Tokyo.

This is the first contingent of South African troops to be sent in answer to the United Nations Security Council's request to member states for aid in reestablishing peace in Korea.

Mustang fighter planes, bought from the United States Army by the South African Government, are ready at airdromes in Japan, to be flown to Korea by the Flying Cheetah pilots. The squadrons, according to Colonel Pretorius, will have duties assigned upon arrival at its final destination. All expenses of the flying squadron will be borne by the South African Government.

ECA Program in Korea Hampered by Reds Looting

[Released to the press October 27 by ECA]

Economic Cooperation Administration officials, who have the job of assisting the Republic of Korea in its reconstruction, have announced that their task has been even further complicated by Communist looting of warehouses and factories.

Reporting that the war damage is worst than originally estimated, Dr. Edgar A. J. Johnson, Acting Chief of ECA's Mission to Korea, who has just returned from Seoul this week, said huge stocks of raw rubber, crude oil and petroleum products, coal, iron, chemicals, salt, and cement were taken from warehouses. In addition, textile factories were dismantled, most of the automobiles stolen, and huge stocks of machinery and other equipment loaded on flat cars which the Communists intended to move out of the city.

Dr. Johnson said the retreating Communists were forced to abandon much of the machinery which was discovered well covered with cosmoline and carefully camouflaged.

He added that that in Seoul's textile factories only 1,030 looms and 3,200 spindles remain out of a total of 4,500 looms and 150,000 spindles. One textile plant is intact, however, and will be put into operation soon.

In line with President Truman's directive, Dr. Johnson said, ECA will concentrate its activities

on economic reconstruction and rehabilitation rather than on direct relief. Pending the adoption of a United Nations program, the President has made ECA responsible for supplying that type of economic aid to Korea designed to increase domestic Korean production.

Since one ton of fertilizer normally produces ten tons of food, ECA expects to authorize the purchase of some 22 million dollars worth of fertilizer this year. It already has financed the purchase of 9 million dollars worth for immediate use. The agricultural rehabilitation program includes a program of irrigation and land utilization, planned before the invasion.

One of the country's greatest needs, according to ECA, is adequate transmission of electric power. A large hydro-electric plant, located in Chung Pyung, has been damaged and looted.

Army engineers and ECA technicians currently are installing a car ferry across the Han river and are planning to repair the Seoul railroad station. Trains now are running twice a day between Pusan and Yongdongpo, south of Seoul.

Regular Report on Credentials of Permanent Missions to U.N.

U.N. doc. A/1472
Dated Nov. 2, 1950

1. The present report is submitted for the information of the General Assembly in accordance with the provisions of resolution 257 A (III) of 3 December 1948, which instructed the Secretary-General "to submit, at each regular session of the General Assembly, a report on the credentials of the permanent representative accredited to the United Nations."

Permanent Missions at United Nations

2. At the date of this report 53 Member States have set up Permanent Missions at the seat of the United Nations. They are:

Afghanistan	Guatemala	Philippines
Argentina	Haiti	Poland
Australia	Honduras	Saudi Arabia
Belgium	Iceland	Sweden
Bolivia	India	Syria
Brazil	Indonesia	Thailand
Canada	Iran	Turkey
Chile	Iraq	Union of South
China	Israel	Africa
Colombia	Lebanon	Union of Soviet
Costa Rica	Liberia	Socialist Re-
Cuba	Mexico	publics
Czechoslovakia	Netherlands	United Kingdom
Denmark	New Zealand	of Great Britain
Dominican	Nicaragua	and Northern
Republic	Norway	Ireland
Ecuador	Pakistan	United States
Egypt	Panama	Uruguay
France	Paraguay	Venezuela
Greece	Peru	Yugoslavia

3. The credentials of the Permanent Representatives of the following 50 Member States communicated to the Secretary-General fully satisfy the stipulations contained in paragraph 1 of the General Assembly resolution 257 A (III):

Afghanistan	Greece	Paraguay
Argentina	Guatemala	Peru
Australia	Haiti	Philippines
Belgium	Honduras	Saudi Arabia
Bolivia	Iceland	Sweden
Brazil	India	Thailand
Canada	Indonesia	Turkey
Chile	Iran	Union of South Africa
China	Iraq	United Kingdom of Great Britain and Northern Ireland
Colombia	Israel	United States
Costa Rica	Lebanon	Uruguay
Cuba	Liberia	Venezuela
Czechoslovakia	Mexico	Yugoslavia
Denmark	Netherlands	
Dominican Republic	New Zealand	
Ecuador	Nicaragua	
Egypt	Norway	
France	Pakistan	
	Panama	

4. The following Member States stated in their communication to the Secretary-General that their Permanent Representative was empowered to represent them in specified organs of the United Nations:

Afghanistan	Haiti	Philippines
Australia	India	Saudi Arabia
Brazil	Lebanon	United Kingdom of Great Britain and Northern Ireland
Chile	Liberia	
China	Mexico	
Cuba	New Zealand	
France	Panama	

5. The following Member States have authorized their Permanent Representatives to represent them in all organs of the United Nations:

Belgium	Indonesia	Union of South Africa
Czechoslovakia	Iran	United States
Dominican Republic	Netherlands	Uruguay
Ecuador	Norway	Venezuela
Egypt	Peru	Yugoslavia
Greece	Thailand	
	Turkey	

Missions to U. N. Offices at Geneva

6. Seventeen Member States maintain Permanent Missions to the Geneva Office, namely:

Australia	Netherlands
Belgium	Panama
Brazil	Poland
Canada	Turkey
Chile	United Kingdom of Great Britain and Northern Ireland
Denmark	Ireland
France	Uruguay
Greece	Yugoslavia
Israel	
Mexico	

7. Three Member States have appointed representatives solely to the Economic Commission for Europe, namely:

Norway
United States
Sweden

Bulgaria, Hungary, and Rumania Condemned on Human Rights Issues

U.N. doc. A/1486
Adopted Nov. 3, 1950

The General Assembly,

CONSIDERING that one of the purposes of the United Nations is to achieve international co-operation in promoting and encouraging respect for human rights and fundamental freedoms for all without distinction as to race, sex, language or religion.

HAVING REGARD to General Assembly resolutions 272 (III) and 294 (IV) concerning the question of the observance in Bulgaria, Hungary and Romania of human rights and fundamental freedoms, and to its decision in the latter resolution to submit certain questions to the International Court of Justice for an advisory opinion,

1. Takes note of the advisory opinion delivered by the International Court of Justice on 30 March 1950 and 18 July 1950 to the effect that:

(a) The diplomatic exchanges between Bulgaria, Hungary and Romania on the one hand, and certain Allied and Associated Powers signatories to the Treaties of Peace on the other, concerning the implementation of article 2 of the Treaties with Bulgaria and Hungary and article 3 of the Treaty with Romania, disclose disputes subject to the provisions for the settlement of disputes contained in article 36 of the Treaty of Peace with Bulgaria, article 40 of the Treaty of Peace with Hungary, and article 38 of the Treaty of Peace with Romania;

(b) The Governments of Bulgaria, Hungary and Romania are obligated to carry out the provisions of those articles of the Treaties of Peace which relate to the settlement of disputes, including the provisions for the appointment of representatives to the Treaty Commissions;

(c) If one party fails to appoint a representative to a Treaty Commission under the Treaties of Peace with Bulgaria, Hungary and Romania where that party is obligated to appoint a representative to the Treaty Commission, the Secretary-General of the United Nations is not authorized to appoint the third member of the Commission upon the request of the other party to a dispute;

2. Condemns the wilful refusal of the Governments of Bulgaria, Hungary and Romania to fulfill their obligation under the provisions of the Treaties of Peace to appoint representatives to the Treaty Commissions, which obligation has been confirmed by the International Court of Justice;

3. Is of the opinion that the conduct of the Governments of Bulgaria, Hungary, and Romania in this matter is such as to indicate that they are aware of breaches being committed of those articles of the Treaties of Peace under which they are obligated to secure the enjoyment of human rights and fundamental freedoms in their countries; and that they are callously indifferent to the sentiments of the world community;

4. Notes with anxiety the continuance of serious accusations on these matters against the Governments of Bulgaria, Hungary, and Romania, and that the three Governments have made no satisfactory refutation of these accusations;

5. Invites Members of the United Nations, and in particular those which are parties to the Treaties of Peace with Bulgaria, Hungary, and Romania, to submit to the Secretary-General all evidence which they now hold or which may become available in future in relation to this question;

6. Likewise invites the Secretary-General to notify the Members of the United Nations of any information he may receive in connexion with this question.

The United States in the United Nations

[November 17-23, 1950]

General Assembly

Provisions for Libyan independence, embodied in an *Ad Hoc* Political Committee resolution, were approved by the General Assembly on November 17 by a vote of 50 (U.S.)—0, with 6 abstentions and unanimous approval was given to measures for technical assistance after independence. Final action was then initiated on the duties of states in the event of the outbreak of hostilities, and the two-part resolution (part A outlining the duties of states and part B referring the Soviet definition of aggression to the International Law Commission) on the item was adopted 49-5 (Soviet bloc), with 1 abstention. The proposal to send the Yugoslav Permanent Good Offices Commission plan to the International Law Commission for further study was also approved, and, then, final consideration of the "Declaration for Strengthening the Peace" began. Six Soviet amendments to part A, "Peace Through Deeds," were overwhelmingly rejected and, then, the original text was approved 50-5, with 1 abstention. Part B, "Condemnation of Propaganda against Peace," was passed by a vote of 49-0, with 7 abstentions, following which a Soviet resolution, based on the Stockholm petition, was completely rejected.

Consideration of the Secretary-General's 20-year Peace Plan then began with a detailed explanation by Mr. Lie of his 10-point program. On November 18, a 9-state resolution was introduced which commends the Secretary-General's initiative and requests the appropriate United Nations organs to give consideration to those portions of the memorandum with which they are particularly concerned. In reply to Mr. Vishinsky's strong criticism of the Secretary-General and his insistence on a Soviet-proposed resolution concerning the peace program, United States delegate, John J. Sparkman, noted that the "bitter attack on the 20-year program of Secretary-General Lie is further evidence of Soviet resentment at the firm stand that Mr. Lie took on behalf of United Nations principles at the time that the Republic of Korea was invaded. Mr. Vishinsky made it quite clear today that this country will support no program for world peace which does not

comply in its entirety with Soviet demands which the United Nations has frequently examined and found wanting during the past four years." The 9-state resolution, as amended, to call for reports on progress to the General Assembly, was adopted on November 20 with only the Soviet bloc casting negative votes, and the Assembly then rejected the Soviet-proposed resolution.

Before final adjournment for the week on November 20, the Assembly gave unanimous approval to the six resolutions contained in a Committee II report concerning economic development of underdeveloped countries.

Committee I (Political and Security).—This Committee devoted the entire week to the consideration of the Chinese complaint against the U.S.S.R. On November 21, the Chinese Ambassador, Dr. Tingfu F. Tsiang, presented a detailed exposition of Soviet violations of the Sino-Soviet treaty of 1945 and the proposed establishment of a Commission of Inquiry to gather information and facts thereon and report its findings to the next General Assembly. Action on this item was completed on November 23 when the Committee adopted 35 (U.S.)—17, with 7 abstentions a Syrian resolution referring the matter to the Interim Committee for a report to the next regular General Assembly and approved a Salvadoran resolution reaffirming last year's Assembly resolution on promoting stability of international relations in the Far East.

Ad Hoc Political Committee.—The Committee brought to a close, on November 20, its consideration of treatment of people of Indian origin in South Africa with the adoption (26-4, with 24 abstentions [U.S.]) of an amended 5-power resolution providing for a round-table conference between India, Pakistan, and South Africa on the problem and, in the event of a Conference deadlock, for the establishment of a three-member commission of good offices. Debate was then resumed on the Eritrean question with major attention devoted, during the remainder of the week, to a resolution sponsored by the United States and 13 other nations, which recommends that Eritrea should constitute an autonomous unit federated with Ethiopia following a transition period ending by September 15, 1952, and for a United Na-

tions Commissioner to assist in the installation of the Federal plan.

Committee II (Economic and Financial).—The Economic Committee, this week, continued its consideration of full employment. The United States joined many other nations in endorsing a resolution submitted by the Economic and Social Council which is aimed at developing full employment on a world-wide basis.

Joint Committee II and III.—A United States-supported proposal that the regional Economic Commissions be maintained was approved by the Joint Committee on November 21. During the same meeting, action on the item concerning the review of the organization and operation of the Economic and Social Council and its commissions was completed with the passage of recommendations calling for greater participation by United Nations members in the Council's work.

Committee III (Social, Humanitarian and Cultural).—Committee action was completed on November 17 on the resolution concerning future work of the Human Rights Commission when the final text was adopted by a vote of 29 (U.S.)–5, with 13 abstentions. Approval was also given on the same date, with only the Soviet bloc in opposition, to the Economic and Social Council-proposed resolution calling for freedom of information during emergencies. On November 18, the Committee completed debate on the Chilean resolution on interference with radio signals which recalls the freedom to listen to radio broadcasts regardless of source embodied in the Declaration of Human Rights and the pledge of noninterference with broadcasts given by signatories of the 1947 International Telecommunications convention of Atlantic City, notes the interference which nonetheless exists, and invites member governments to refrain from such interference. The resolution was then adopted 38–5 (Soviet bloc). During the remainder of the week, attention centered around a 14-state resolution calling for the appointment of a 15-member Committee to prepare a draft Freedom of Information Convention which would be submitted for signature to a plenipotentiary conference to be called at the discretion of the Economic and Social Council. The resolution as a whole was adopted on November 22 by a vote of 35–0, with the United States among the 15 nations abstaining. The Committee, then, began debate on refugees and stateless persons.

Committee IV (Trusteeship).—Committee IV adopted without opposition on November 17 its report to the General Assembly on the Trusteeship Council report. The Committee report contains 11 annexed resolutions covering recommendations on a review of general Trusteeship Council procedure, arrangement of the Council's an-

nual reports, functioning of visiting missions, examination of petitions, information on the implementation of General Assembly and Trusteeship Council resolutions, educational advancement, rural economic development, technical assistance, abolition of corporate punishment, and the Ewe problem. General debate was then resumed on the report of the Special Committee on information transmitted under article 73 (e) and concluded on November 22.

Committee V (Administrative and Budgetary).—Under the provisions of an Advisory Committee proposal approved by Committee V on November 21, the establishment of a Committee of seven or more members to negotiate as soon as possible with members and nonmembers the amounts which they might be willing to contribute to Palestinian and Korean relief is recommended. On the preceding day, the Committee also approved two recommendations of the Subcommittee on Salary, Allowance, and Leave System concerning home leave and a repatriation grant scale for United Nations employees.

Committee VI (Legal).—Part IV (International Criminal Jurisdiction) of the International Law Commission was discussed during the week by the Legal Committee, but definitive action remains to be taken on the various resolutions pertaining to the report which have been submitted.

Trusteeship Council

Meeting on November 22, the Trusteeship Council rejected 2–9 (U.S.), with 1 abstention a Soviet proposal to invite Chinese Communist representatives to take part in the Council's work and then voted to hold both its 1951 sessions at New York. Agreement was also reached that the 1949 and 1950 reports of the United Kingdom, France, and Belgium on African trust territories would be considered at the summer session.

Security Council

Meeting only on November 17, the Council approved 9–0–2 (Egypt, U.S.S.R.) a revised United States-United Kingdom-French resolution calling upon the parties concerned in the Palestinian complaints before the Security Council to settle their disputes by Mixed Armistice Commission procedures and requesting the Chief of Staff of the truce supervision organization to report to the Council within 90 days on compliance with the resolution. As amended, the resolution further calls upon the Governments concerned to take no future action on the transfer of persons across frontiers or armistice lines without prior consultation with the Commission.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Participation of the United States Government in International Conferences (July 1, 1948-June 30, 1949). International Organization and Conference Series I, 12. Pub. 3853. 372 pp.

Contains brief accounts of international conferences and meetings in which the United States Government participated officially during the period July 1, 1948-June 30, 1949, including the composition of the United States delegations.

Food Production: Cooperative Program in Haiti. Treaties and Other International Acts Series 2061. Pub. 3872. 32 pp.

Agreement between the United States and Haiti confirming and extending agreement of August 28, 1944, as modified and extended—Effected by exchange of notes, signed at Port-au-Prince December 19, 1947, and January 5, 1948; entered into force January 5, 1948, and agreements between the Haitian Government and the Institute of Inter-American Affairs and exchange of notes signed January 13, 1948.

Passport Visa Fees: United States Citizens Visiting Malta; British Subjects in Malta Visiting the United States. Treaties and Other International Acts Series 2069. Pub. 3874. 1 p.

Arrangement between the United States and the United Kingdom—Effected by exchange of notes dated at Washington October 31 and December 12, 1949; entered into force December 12, 1949, operative retroactively December 1, 1949.

Publications of the Department of State, July 1, 1950. Pub. 3881. 61 pp.

A semiannual list cumulative from January 1, 1948.

Whaling: Amendments to the Schedule to the International Whaling Convention Signed at Washington on December 2, 1946. Treaties and Other International Acts Series 2092. Pub. 3888. 4 pp. 5¢.

Adopted at the first meeting of the International Whaling Commission, London, May 30-June 7, 1949; entered into force October 11, 1949 and January 11, 1940.

Visas: Entry and Exit of American Citizens Visiting Yugoslavia. Treaties and Other International Acts Series 2087. Pub. 3934. 2 pp. 5¢.

Understanding between the United States and Yugoslavia—Effected by exchange of notes signed at Belgrade March 23 and 25, 1950; entered into force March 25, 1950, operative April 1, 1950.

Relief From Double Taxation: Earnings Derived From Operation of Ships and Aircraft. Treaties and Other International Acts Series 2088. Pub. 3939. 4 pp. 5¢.

Agreement between the United States and Argentina—Effected by exchange of notes signed at Washington July 20, 1950; entered into force July 20, 1950, operative retroactively for taxable years beginning on or after January 1, 1946.

The Department of State. Department and Foreign Service Series 17. Pub. 3950. 12 pp. Free.

A pamphlet describing the broad administrative aspects of the State Department, including a map of its buildings and a listing of the principal heads of activities.

Germany: Settlement of Financial Issues Arising from Bizonal Fusion. Treaties and Other International Acts Series 2098. Pub. 3953. 5 pp. 5¢.

Agreement between the United States and the United Kingdom of Great Britain and Northern Ireland—Effected by exchange of notes signed at Washington June 28, 1950; entered into force June 28, 1950.

THE CONGRESS

Legislation

Providing Transportation of Passengers and Merchandise on Canadian Vessels in Alaska. H. Rept. 2312, 81st Cong., 2d sess. [To accompany S. 3771] 2 pp.

Revenue Act of 1950. H. Rept. 2319, 81st Cong., 2d sess. [To accompany H. R. 8920] 160 pp.

Protecting the National Security of the United States by Permitting the Summary Suspension of Employment of Civilian Officers and Employees of Various Departments and Agencies of the Government. H. Rept. 2330, 81st Cong., 2d sess. [To accompany H. R. 7439] 11 pp.

Prohibit Entry of Giant African Snails. H. Rept. 2363, 81st Cong., 2d sess. [To accompany H. R. 6242] 2 pp.

Printing Additional Copies of the Report of the Committee on the Judiciary on the Immigration and Naturalization Systems of the United States. H. Rept. 2423, 81st Cong., 2d sess. [To accompany S. Con. Res. 88] 1 p.

Increasing the Annual Authorization for the Appropriation of Funds for Collecting, Editing, and Publishing of Official Papers Relating to the Territories of the United States. H. Rept. 2432, 81st Cong., 2d sess. [To accompany S. 2348] 1 p.

Suspension of Deportation of Certain Aliens. H. Rept. 2453, 81st Cong., 2d sess. [To accompany S. Con. Res. 91] 2 pp.

For the Relief of Certain Italian Aliens. H. Rept. 2474, 81st Cong., 2d sess. [To accompany H. R. 6804] 2 pp.

Burial Benefits for Philippine Veterans. H. Rept. 2490, 81st Cong., 2d sess. [To accompany H. R. 8576] 4 pp.

Free Postage for Members of the Armed Forces in Korea and Combat Zones. H. Rept. 2496, 81st Cong., 2d sess. [To accompany S. 3876] 2 pp.

Authorizing the Regulation of Whaling and To Give Effect to the International Convention for the Regulation of Whaling Signed at Washington Under Date of December 2, 1946, by the United States of America and Certain Other Governments. H. Rept. 2514, 81st Cong., 2d sess. [To accompany S. 2080] 20 pp.

Return of Mexican Flags. H. Rept. 2515, 81st Cong., 2d sess. [To accompany S. J. Res. 133] 2 pp.

Making Certain Increases in the Annuities of Annuitants Under the Foreign Service Retirement and Disability System in View of the Increased Cost of Living. H. Rept. 2535, 81st Cong., 2d sess. [To accompany H. R. 9002] 7 pp.

Suspension of Deportation of Certain Aliens. H. Rept. 2546, 81st Cong., 2d sess. [To accompany S. Con. Res. 95] 2 pp.

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